THE WALL STREET JOURNAL.

DOW JONES | News Corp **** MONDAY, DECEMBER 5, 2022 ~ VOL. CCLXXX NO. 132 WSJ.com ★★★★ $5.00

Last week: **DJIA** 34429.88 ▲ 82.85 0.2% **NASDAQ** 11461.50 ▲ 2.1% **STOXX 600** 443.29 ▲ 0.6% **10-YR. TREASURY** ▲ 1 22/32, yield 3.502% **OIL** $79.98 ▲ $3.70 **EURO** $1.0543 **YEN** 134.31

What's News

Business & Finance

OPEC+ said it would lock in current production levels, a pause that suggests the world's leading oil producers are uncertain about the direction of crude prices with a price cap on Russia's petroleum exports set to take effect. **A1**

◆ **FTX founder** Bankman-Fried said he couldn't explain what happened to billions of dollars that customers of his failed cryptocurrency exchange sent to bank accounts of his trading firm, Alameda. **A1**

◆ **FTX's collapse** opened a hornet's nest of squabbles between foreign governments and its new U.S. chief executive, John J. Ray III. **B1**

◆ **Saudi Arabia's** Crown Prince and private-equity firm Atlas are among those preparing to invest $1 billion or more in Credit Suisse's new investment bank, people familiar with the matter said. **B1**

◆ **Novo Nordisk flubbed** the launch of its weight-loss drug Wegovy, missing out on hundreds of millions of dollars in sales and squandering a head start over a rival. **B1**

◆ **Business-software** companies say customers are being more cautious with their spending in response to a challenging economy. **B3**

◆ **CVS is testing** a system that allows pharmacists to process prescriptions in part remotely, a move it said could improve store working conditions and the customer experience. **B3**

World-Wide

◆ **Iran's attorney** general said the country had disbanded its morality police and is considering altering the requirement that women cover their heads in public, a move some analysts said was aimed at peeling away support for antigovernment protests. **A1**

◆ **Ukraine denounced** a price cap on Russian oil agreed to by the U.S. and its allies as a weak measure that would fail to deprive Russia's military machine of funds, as Moscow said it could stop supplying consumers in response. **A6**

◆ **Republicans distanced** themselves from Trump's call to ignore the Constitution and the 2020 election results but shied away from directly criticizing him. **A4**

◆ **About 45,000 people** were without power on Sunday in Moore County, N.C., after what authorities said was an intentional act of vandalism on local substations. **A5**

◆ **Israeli President** Isaac Herzog made his first visit to Bahrain on Sunday amid concerns that efforts to deepen ties with onetime adversaries in the Middle East are stalling. **A8**

◆ **Japan's government** is planning to create a strategic buffer of liquefied natural gas, trying to build resilience against the kind of energy crunch that hit Europe this year. **A7**

JOURNAL REPORT
Investing Monthly: Will bonds rebound in 2023? **R1-8**

CONTENTS

Arts in Review... A13	Opinion... A15-17
Business News... B3-4	Outlook... A2
Crossword... A9	Personal Journal A11-12
Economic Calendar A2	Sports... A14
Heard on Street... B9	U.S. News... A2-5
Markets Digest... B7	Weather... A9
	World News... A6-9

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China Loosens Covid Restrictions as Public Anger Simmers

KEVIN FRAYER/GETTY IMAGES

EASING OFF: Officials in major cities, including Beijing, are lifting some curbs on residents' movements, such as by ending mandatory Covid testing for people who want to use public transport or enter parks and other public spaces. A9

Iran Disbands Morality Police, Weighs Changing Hijab Laws

By David S. Cloud

Iran's attorney general said the country had disbanded its so-called morality police and is considering altering the requirement that women cover their heads in public, a move some analysts said was aimed at peeling away support for antigovernment protests.

Mohammad-Jafar Montazeri outlined the steps on Saturday, saying the law requiring veils, known as hijabs, was under review by Iran's Parliament and judiciary, and that the morality police had been abolished, government-run news agencies reported.

President Ebrahim Raisi echoed his remarks in a televised speech on Saturday, saying Iran's Islamic system was enshrined in its constitution but adding, "There are methods of implementing the constitution that can be flexible."

Protests continued in Mahabad and Bukan, cities in Iran's Kurdish region, with fires and road blockades, according to Hengaw, a Kurdish human-rights group based in Norway.

It is unclear if Mr. Montazeri's comments reflect a decision by Iran's rulers to make significant changes in the system of enforcing the hijab law or if they are temporary overtures aimed at suppressing protests, some analysts said.

Atena Daemi, a civil-rights activist in Tehran, said the morality police have been less visible in enforcing the hijab law since the protests began. She added that if the protests were to die down, the government was likely to resume using the police or create another mechanism to pressure women to publicly cover their heads.

"They will continue to deal with those who do not wear the Islamic hijab," she said, adding that she didn't believe the claims that the morality police have been disbanded.

Please turn to page A8

OPEC+ Locks In Crude Output Levels

Cartel opts against raising production even as price cap on Russian oil threatens disruption

By Benoit Faucon And Summer Said

OPEC+ said it would lock in current production levels, a pause that suggests the world's leading oil producers are uncertain about the direction of crude prices with a price cap on Russia's petroleum exports set to take effect.

The decision on Sunday allows the Organization of the Petroleum Exporting Countries and a group of producers led by Russia—collectively known as OPEC+—to take more time to assess the market impact of a European Union and Group of Seven price cap of $60 a barrel on Moscow's oil, which is intended to crimp Russia's revenue for the Ukraine war. It locks in a 2 million-barrels-a-day production cut decided in October.

The cap is set to go into effect on Monday, with both oil traders and government energy officials uncertain about how it will affect the market. An EU ban on most imports of Russian oil begins the same day. Then, on Thursday, Chinese President Xi Jinping is expected to travel to Saudi Arabia, where energy markets are set to be on the agenda in discussions between the world's largest oil importer and largest oil exporter, respectively.

Also coming up as soon as Monday: Saudi Arabia is expected to announce its prices

Please turn to page A7

Covid Aid Went to Hospitals That Didn't Need the Money

Funds weren't enough for others struggling with pandemic care

When Covid-19 struck, the U.S. government gave hospitals tens of billions of dollars to help them cope with the strains of the pandemic.

*By **Melanie Evans, Liz Essley Whyte** and **Tom McGinty***

Many of the hospitals didn't need it.

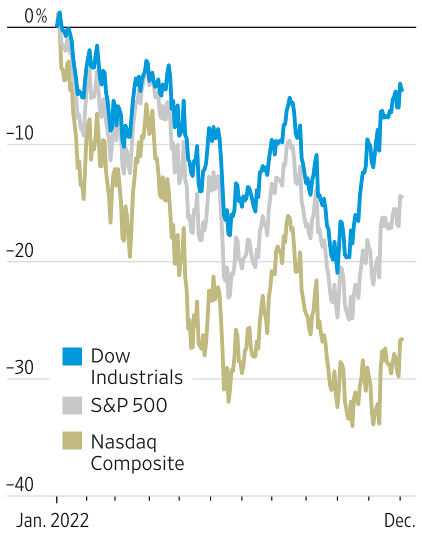
The aid enriched some well-off systems, while failing to meet the needs of many that were struggling, according to a Wall Street Journal analysis of federal financial-disclosure reports.

The mismatch stemmed in part from the way the federal government determined how much a hospital should get. A main factor used to allocate relief was a hospital's revenue, rather than Covid caseload or financial distress. The idea was that revenue was a good indicator of a hospital's size.

Among the recipients were large, wealthy hospital owners—including some nonprofits—that reported profits from patient care during the periods they got aid. Some were well off enough to put money into investment funds, while others spent on new facilities and ex-

Please turn to page A10

Index performance this year



Source: FactSet

Dow Outpaces Broader Market

While all three major U.S. stock indexes are down this year, the Dow Jones Industrial Average is the only one not in a bear market. Steep Fed rate hikes have investors seeking so-called value companies, which has given a boost to the 30-stock blue-chip index. **B1**

Scientists Give Rowdy Raccoons A Reputation Makeover

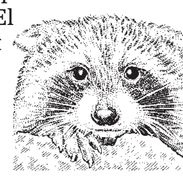
* * *

Researchers study them for insights into intelligence, emotion; 'little Einstein'

By Daniela Hernandez

In Virginia, University of Richmond neuroscientist Kelly Lambert studies depression, anxiety, resilience and stress.

So she was intrigued when she heard about a raccoon rapidly scaling a 25-story office tower in St. Paul, Minn., looking as deft as a pro rock climber ascending El Capitan. Dr. Lambert phoned animal-control specialists as soon as she learned they caught the critter.



Wily critter

"Send me its poop because this is one resilient raccoon," she recalls saying. "Of course, they thought I was crazy." (Scientists can measure stress-related hormones in droppings.)

Decades ago, science largely canceled raccoons for behaving like, well, rambunctious imps. Now they are having a renaissance.

Researchers are studying raccoons for insights into intelligence and emotion, aided by technology such as wireless sensors and night-vision cameras that are making it possible to observe the wily masked bandits on their own turf. Advanced molecular tools allow neuroscientists to examine brains, including raccoons', down to the cellular level.

The similarities between human and raccoon brains make the animals good models for learning how experience changes the brain, Dr. Lambert says.

"Exploration, curiosity, ideas, optimism, maybe anticipation," she adds. "I think the raccoons could teach us something about that."

Please turn to page A2

INSIDE

CHARLIE NEIBERGALL/AP

U.S. NEWS
Iowa's loss of the first Democratic caucuses would alter state's political clout **A4**

DMITRY DADONKIN/TASS/ZUMA PRESS

WORLD NEWS
Keeping oil price below $60 won't slow Moscow's war effort, Zelensky warns. **A6**

FTX Founder Can't Explain Lost Billions

By Alexander Osipovich

NASSAU, Bahamas—FTX founder Sam Bankman-Fried said he couldn't explain what happened to billions of dollars that customers of his failed cryptocurrency exchange sent to the bank accounts of his trading firm, Alameda Research.

And he said he couldn't rule out the possibility that money deposited by FTX customers who were told their money was theirs alone was in fact lent to Alameda.

In an interview with The Wall Street Journal, Mr. Bankman-Fried distanced himself from Alameda, saying he had stepped back from running the firm and had little insight into its workings even though he owned 90% of it.

Some FTX customers made deposits by wiring money to Alameda-controlled bank accounts, with the intention that the money be used to fund their FTX accounts. That was a legacy of the exchange's early days when FTX didn't have its own bank account, Mr. Bankman-Fried said. Over time, FTX customers deposited more than $5 billion in those Alameda accounts, he said. Now those funds are gone.

"They were wired to Alameda, and...I can only speculate about what happened after that," Mr. Bankman-Fried told the Journal.

"Dollars are fungible with each other. And so it's not like there's this $1 bill over here that you can trace through from start to finish. What you get is more just omnibus, you know, pots of assets of various forms," he added.

Mr. Bankman-Fried's remarks suggest that FTX customer funds flowing into Alameda bank accounts could have been recorded in two places—both as FTX customer funds and as part of Alameda's trading positions. Such dou-

Please turn to page A4

◆ FTX bankruptcy spurs global clashes... B1

VISIT…

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U.S. NEWS

THE OUTLOOK | By Gabriel T. Rubin

Pay Battle Looms Large in Inflation

There is a tug of war between employers and workers over wage increases, and the outcome is critical for the inflation outlook.

Average wage growth had, by some measures, begun to cool since the summer. But Friday's November jobs report showed annual growth in hourly earnings accelerating to 5.1% from 4.9% in October.

Workers continue to win significant pay bumps, in part because help remains hard to find: Unemployment in November remained at 3.7%, near a half-century low. The labor force also shrank in November and is smaller than before the pandemic.

Still, a fall in job openings and job-switching has given some employers breathing room on pay raises for existing employees, and on how much new employees can command.

Some wage indicators show modest cooling. The quarterly employment-cost index rose more slowly over the summer than during the spring. And while the November jobs report showed fast wage gains by one measurement—average hourly earnings—there was no similar acceleration in weekly earnings, because the average number of hours worked weekly declined.

"The feeding frenzy of companies poaching each other's workers has abated somewhat, but the trend of pay hikes remains quite high and is not slowing down by much," said Stephen Stanley, chief economist at Amherst Pierpont, a broker-dealer.

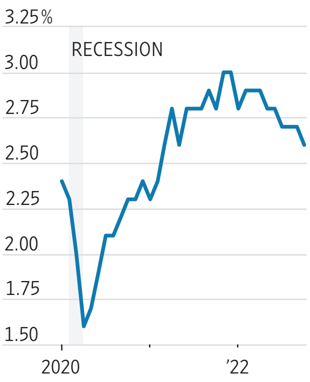
Higher wages are generally good for workers, but wage growth that persistently exceeds growth in worker productivity can lead companies to raise prices more.

The Federal Reserve is depending on wage growth to moderate to bring inflation back to its 2% target. Chairman Jerome Powell said last week that there had been positive developments but that the labor market "shows only tentative signs of rebalancing, and wage growth remains well above levels that would be consistent with 2% inflation."

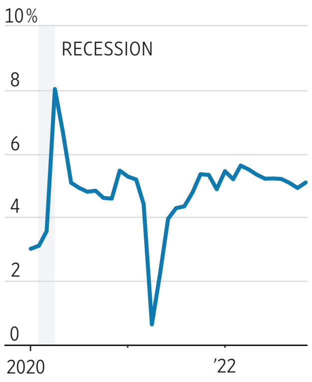
Mike Pitts, president of IVM Inc., a tech-supply company in Indianapolis, has had to raise wages repeatedly to attract new employees, which led existing employees to request raises that account for experience. "It's this barrage of microimpacts that just beats down your efforts to stay ahead of these wage gains," Mr. Pitts said.

In January, IVM employees will receive a raise of up to 6.5%, intended to be in line with current core inflation, which strips out volatile food and energy components. But reflecting IVM's efforts to wring productivity gains from the pay bump, only employees who return to the office full time are eligible for the full increase, with lesser

Quits rate has declined since summer



Change in average hourly earnings over the past 12 months



Note: Seasonally adjusted.
Source: Labor Department via St. Louis Fed

boosts for workers who want more remote options.

"We're trying to give them the flexibility to say, 'Hey, I want to make more, so I'm going to try to make the company more productive,'" Mr. Pitts said.

Nonetheless, companies are less desperately short of labor than earlier this year. In October, job openings were 7% lower than the same time last year.

A common way workers win higher wages is by switching jobs. Job switchers' pay rose 7.3% over the 12 months ending in October, compared with 5.3% for non-switchers during that period, according to the Atlanta Fed.

But as employment growth has cooled, so has job switching: 2.6% of workers quit their job in October, compared with 3% in December 2021, the highest ever recorded. "Employers are starting to feel staffed up, so they pull back a little bit," said Nick Bunker, an economist at Indeed, an internet job-search platform.

Angeline Hanser, 19, was hired in January at a home-goods store in Rochester Hills, Mich., as a stocking associate but says their responsibilities have grown over the year to include receiving and packing orders and serving as a cashier. Mx. Hanser, who uses nonbinary pronouns, said that given those added responsibilities, they are "not making what I should be" at $14 an hour.

Still, a raise might not be in the offing, and they said that even holiday-pay arrangements have changed significantly from last year. While last year employees could get extra pay for working during the busiest holiday-shopping days—such as Black Friday—this year the store will pay out $150 bonuses if it meets certain sales thresholds for the season.

Companies across the economy are taking a more cautious approach to pay. Many are gravitating toward one-time bonuses for high performers, while limiting larger pay increases to the most in-demand positions.

Despite lower demand for labor in the short run, a diminished long-run supply of labor as a result of reduced immigration and an aging population will allow desirable workers to continue to command wage increases. Meat-processing company Tyson Foods Inc. warned investors in its annual report in October that labor supply tightness might require increased wage rates to attract and retain employees.

Boyd Group Services Inc., which operates auto-repair shops in the U.S. and Canada, similarly said in November that despite making some progress toward its hiring and retention goals, "further [compensation] increases are needed to address ongoing wage pressure" from the skilled mechanics and technicians it employs.

"During the recovery, there were wage increases for all," said Becky Frankiewicz, chief commercial officer of ManpowerGroup Inc., a staffing firm. "Now it's going to be wage increases for some, and they're going to be defined by those with the most in-demand skills."

ECONOMIC CALENDAR

Monday: S&P Global and the Institute for Supply Management release November surveys of **services-industry purchasing managers**. S&P Global's initial November services index reflected a faster decline in activity than in October.

The Commerce Department releases October figures on **factory orders, shipments and inventories**. Orders for manufactured goods increased in 11 of the past 12 months through September.

Tuesday: The Commerce Department reports the U.S. **trade deficit** in October. The trade gap in goods and services widened for the first time in six months in September, the product of lower exports due to a strong dollar and higher imports.

Wednesday: The **Bank of Canada** announces its latest **monetary-policy decision**, after delivering a smaller-than-expected half-percentage-point increase at its previous meeting.

Thursday: China's National Bureau of Statistics releases November figures on **consumer inflation** and **producer prices**. Prices charged by Chinese companies at the factory gate fell 1.3% in October compared with a year earlier, the country's first year-over-year decline in producer-price inflation since December 2020.

Friday: The Labor Department releases its November **producer-price index**, which measures prices that suppliers charge businesses and other customers. The index rose 8% in October from a year before, an easing from September's revised 8.4% increase, and sharply slower than the record 11.7% rise in March.

The University of Michigan releases its preliminary **consumer-sentiment index** for December.

ALANA PATERSON FOR THE WALL STREET JOURNAL (2)

Scientists are studying raccoons for insights into the brain. Ph.D. student Hannah Griebling captures two raccoons.

Raccoons' Reputation Made Over

Continued from Page One

Light on manners, raccoons have been frustrating researchers for more than a century.

"The raccoon has a high reputation for cunning and adroitness," notes a 1907 academic paper about a study that used them, or tried to. Raccoons broke out of their cages by pulling down the wire netting, and they jumped out windows. A few hid in ventilation shafts, and it took great effort to get them out.

As uncooperative as raccoons were in the lab, their nocturnal habits made them harder to study in the wild.

Ultimately, researchers opted for more manageable subjects, such as rodents and birds, to probe how different species learn.

With new study tools, raccoons are starring in research, including a 2021 study in which Dr. Lambert and her teammates challenged the animals to open a transparent box that held a gourmet snack: a prune dipped in sardine juice.

The scientists deployed night-vision cameras to monitor how raccoons dealt with a trio of complex obstacles,

such as needing to use a latch to open a little door to get a treat, and then having to switch gears—to sliding a window, for instance—when the latch option was locked.

Critters successful in opening doors three different ways were super achievers, according to Dr. Lambert; those that popped open two doors were middling, and so on. Yet, all three groups had comparable amounts of neurons in a brain region that processes sensory information from their paws. That suggested mere dexterity wasn't the full story.

Researchers found the super solvers had more support cells called glia in the hippocampus, a brain region critical for learning and memory. Glial cells guard against inflammation and help communication among neurons—the brain cells that store memories and underpin movement, hearing and other complex behaviors. Having more glial cells has been linked to more adaptive cognition, the researchers said.

One small study found Albert Einstein's brain had more glial cells supporting neurons than the brains of men with average intelligence. "Maybe we had little Einstein raccoons," says Dr. Lambert.

Other research has found that, relative to size, the density of neurons in raccoon brains is similar to humans. "There are neural reasons why we can't figure out garbage cans that they can't get into," she says.

Lauren Stanton, a cognitive ecologist at the University of California, Berkeley, uses sardines and peanut butter to entice raccoons. She then tags them with electronic-tracking beacons and releases them into the wild so she can study how smart they are.

Raccoons seem to remember the trick, so they are hard to capture again with the same strategy. Fool them twice? Not likely, human.

For a study published in September in the Journal of Experimental Biology, Dr. Stanton and her team aimed to test mental flexibility, the ability to change strategies when an approach stops working. They tagged raccoons with the beacons and watched them play around with a box that had two buttons. Raccoon participants named Allspice, Caper, Chia and Tarragon had to learn which one dispensed a reward, a dog-kibble. The winning button wasn't the same each time.

It turned out that easygoing raccoons who spent time learning the rules of the game got rewarded, while aggressive ones gave up and bolted.

Perhaps "more docile individuals are actually the masterminds," says Dr. Stanton.

Raccoons have a rich social repertoire, night-vision cameras show. They sometimes greet each other. Some use their butts to push other raccoons out of the way. Sarah Benson-Amram, a University of British Columbia cognitive ecologist and an author on the study, says she and her team are mapping raccoon social networks to assess whether their box-opening strategies ripple through social groups. Still, scientists suggest most humans appreciate raccoons from afar.

"Everything looks very lovely," Dr. Stanton says. But "they can be quite a handful."

U.S. WATCH

NEW YORK CITY

Police Shoot Suspect In Gunfire Exchange

A man was wounded during an exchange of gunfire with New York City police officers in the Bronx, police said Sunday.

The shots were fired after police chased a car they determined was stolen into the borough at around midnight Saturday.

Two suspects got out of the car a few blocks from Yankee Stadium. One of them was apprehended and the other exchanged shots with officers as he fled, NYPD Chief of Patrol John Chell said at a briefing early Sunday.

A police helicopter spotted the 39-year-old man about 10 minutes later in a marshy area near the Major Deegan Expressway, and he was struck during a second exchange of gunfire, Mr. Chell said.

Police didn't say how many times the man was struck or provide his name.

Mr. Chell said officers immediately provided "life-saving" aid on the side of the highway. The man was hospitalized and police haven't provided details of his condition. No officers were injured.

—Associated Press

INDIANA

Fire Hits Commercial Buildings in Columbus

A fire in downtown Columbus destroyed a commercial building containing offices and a photo studio and left three firefighters with minor injuries early Sunday.

A passerby discovered the fire and called 911 around midnight. When firefighters arrived they found a fire at the rear of the building, and as they began to fight it, part of the building collapsed and the fire jumped to a second building, they said.

When firefighters entered the second building to search for occupants, they found a cat that then ran from the structure, they said. A large portion of the third-story facade of the second building collapsed, narrowly missing firefighters and raining debris on fire trucks.

It took about four hours to gain control of the blaze, firefighters said.

Flames also damaged electrical lines, leaving part of the downtown area without power for a while. The cause of the fire was under investigation.

—Associated Press

CHICAGO

Carbon Monoxide Leak Sickens 12

Twelve people were hospitalized after a carbon monoxide leak at a church on Chicago's South Side, fire officials said.

The Chicago Fire Department said that just after 1 p.m. Sunday it was called to the New Philadelphia Church for reports of a gas smell.

When fire crews arrived at the church, they measured the air and found high levels of carbon monoxide.

Those injured were taken to two hospitals in good to serious condition, firefighters said.

—Associated Press

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Florida Eyes Disney Deal With Iger Back

By Arian Campo-Flores

A Florida lawmaker said Robert Iger's return as **Walt Disney** Co.'s chief executive has boosted the prospects that the state could work out a new deal with the entertainment company after passing an April law to end certain Disney tax privileges.

A special district, created in 1967 and known as the Reedy Creek Improvement District, has exempted Disney from numerous regulations and various taxes and fees. It has permitted the company to manage its theme parks and resorts in Florida with little red tape for more than 50 years. Under the law passed in April, the special district would be dissolved on June 1, 2023.

But Republican state Rep. Randy Fine, who sponsored the bill to end the special district, said Mr. Iger's return could help the state reach a different resolution because state politicians believe he will avoid getting as entangled in Florida politics. "It's more likely we have a better partner to work with now," Mr. Fine said.

The dispute between Florida Republican lawmakers and Disney began when the company under former CEO Bob Chapek spoke out against the Parental Rights in Education law, which critics call the "Don't Say Gay" legislation. The measure bars classroom instruction on sexual orientation and gender identity through third grade, and limits it for older students to material that is "age-appropriate."

Disney initially didn't comment on the law, but came under pressure from employees to oppose it. After it passed, the company pledged to push for its repeal and to fight similar bills in other states.

One possibility would be to create a new district, Mr. Fine said. This new district wouldn't include as many privileges as the previous one, such as selling bonds and seizing land through eminent domain.

No specific deal is under discussion, he added, and Republican Gov. Ron DeSantis's office has indicated a reversal of that decision is out of the question. "The governor was right to champion removing the extraordinary benefit given to one company," Bryan Griffin, a spokesman for Mr. DeSantis, wrote Friday on Twitter. "We will have an even playing field for businesses in Florida, and the state certainly owes no special favors to one company."

A spokesman for Disney declined to comment.

Disney, as the primary landowner at Reedy Creek, has provided most of the revenue from taxes and fees that the district has collected. That money covers all the district's governing expenses and is used to service the long-term bond debt that Reedy Creek has issued over the years. Dissolving the district could be a complicated process and trigger legal battles, according to analysts.

Jeff Brandes, a former senator from the Tampa Bay area who worked closely with both Mr. DeSantis's office and Disney's Florida government affairs staff until the recent conclusion of his term, said that the dispute over Reedy Creek was "Kabuki theater" from the very start. He said Republicans in the legislature have long expected Disney and the governor's office to work out a deal to avoid raising taxes on residents of the counties surrounding Walt Disney World and avoid a default on the roughly $1 billion in outstanding bonds issued by Reedy Creek.

Mr. Griffin wrote Friday on Twitter, "Disney's debts will not fall on the taxpayers of Florida. A plan is in the works and will be released soon."

PHIL MCCARTEN/REUTERS

PHIL SEARS/ASSOCIATED PRESS

Rep. Randy Fine, right, believes Mr. Iger will avoid Florida politics.

ASH PONDERS FOR THE WALL STREET JOURNAL

Work has begun on Teravalis, a 37,000-acre project with 100,000 planned homes over the next half-century in Buckeye, Ariz.

Water Is Wild Card in Arizona Project

By Jim Carlton And Nicole Friedman

BUCKEYE, Ariz.—Earth movers were grading the scraped desert in this city 40 miles west of Phoenix one day last month in preparation for construction of the first 1,100 homes in a master-planned community called Teravalis.

Developer **Howard Hughes** Corp. last year spent $600 million to buy 37,000 acres in a valley flanked by two mountain ranges. It plans to build 100,000 homes over the next half-century, along with 55 million square feet of offices and other commercial real estate—the largest such project in state history, according to the developer.

But whether it is completed will depend in part on whether there is enough water for the people who would live, work and shop there. The Arizona Department of Water Resources is conducting a study of an underground basin to determine whether the groundwater supply is adequate to support the planned population for 100 years.

Howard Hughes executives said they believe there is enough, but if state regulators determine otherwise, the developer could be forced to scale back its plans.

Arizona officials are awaiting results of the study. They said water availability is a major concern as they assess development plans statewide. "The growth will not go to zero, but it will have to go to where the water is," said Tom Buschatzke, director of the Arizona Department of Water Resources.

In Arizona and other parts of the West, demand for new housing because of population shifts and shrinking water supplies from a decadeslong drought are increasingly coming into conflict. Developers such as Howard Hughes are making big investments at the same time regulators are applying more scrutiny to projects to ensure they won't cause taps in surrounding communities to run dry.

"There just isn't water to sustain millions and millions of new houses," said Kathleen Ferris, senior research fellow at Arizona State University's Kyl Center for Water Policy.

David O'Reilly, chief executive of Texas-based Howard Hughes, said the company will apply conservation techniques at Teravalis it is using successfully in Nevada. Those include water recycling and drought-tolerant landscaping.

"We feel confident that there's a road map here, that there's a thoughtful way that we can develop that maintains and secures water," he said in an interview. Other Howard Hughes executives said they have a water permit for the first village of 7,021 home sites and plan to secure approval for many of the rest over the next several years.

Water issues are popping up in development projects throughout the West. In Colorado, residential builders say a dispute between a Denver-area city and a nearby county over a water pipeline is delaying construction of new homes. In 2021, Oakley, Utah, passed a moratorium on new building permits that require a city water connection because of severe drought.

Housing demand and shrinking water supplies are coming into conflict.

Demand for more housing in Arizona is substantial, though it has slowed recently as interest rates have risen. Phoenix-area home prices rose 64% between January 2020 and September 2022 as more people moved there during the pandemic, according to S&P Dow Jones Indices, outpacing the nationwide 41% increase.

At the same time, the state has temporarily lost about one-fifth of its share from the Colorado River, as drought has shriveled the Southwest's most important tributary.

In the area where the Howard Hughes project is located, there is about 1,600 feet of groundwater above the bedrock, compared with more than double that in places closer to Phoenix, said Marvin Glotfelty, a hydrogeologist based in Scottsdale, Ariz., who works on property development.

Buckeye officials, citing past studies, say they believe there is more than enough groundwater in their city.

Mr. Buschatzke said Arizona is working to open up more supplies. The legislature this year authorized $1 billion in investments for everything from desalination plants to more recycling. Eventually, he said, those projects will help support more development.

Deer-Hunting Season on Track for a Record

By Ben Kesling

America's deer-hunting season is shaping up as one of the best yet this year, boosted by an early Thanksgiving start, larger than usual herds and favorable weather, state officials and hunting groups say.

From Missouri to Maine, hunters are killing deer in record numbers with weeks still left in the season. Game officials say this big deer harvest is occurring as more hunters are out in many areas, so when some quit early, they can help those who remain. Larger deer populations have prompted some states to extend time and opportunity to hunt them.

"Two years ago, there was a record buck harvest, highest in 15 or 20 years," said Kip Adams, chief conservation officer for the National Deer Association. "This year, we might be pushing that."

Deer season opened in many states a month or more before Thanksgiving, prompting bow hunters to head to their tree stands. But the bulk of the hunting season happens around the holiday itself during the week or so, in many states, when hunters can use rifles.

In Wisconsin, the nine-day rifle season saw over 200,000 deer harvested, an increase of more than 14% from last year, according to state statistics.

The state's rifle season started the Saturday before Thanksgiving, which came about as early as possible this year. That meant deer were still in rut, or mating season, which means animals move around and have more energy, Eric Lobner, director of the wildlife management program for the Wisconsin Department of Natural Resources, said. The weather was also helpful, with snow covering the ground across the state, leaving a bright white landscape that makes it easier for hunters.

Plus, temperatures were in the single digits or lower in some places, which meant hunters got colder quicker, and thus some gave up on the effort and moved from their positions. That spooked deer and kept them moving into other hunters' sight lines.

Across the country in Maine, hunters have had similar good fortune thus far, said Mark Latti, spokesman for the state's Department of Inland Fisheries and Wildlife. Maine has more hunters these days, as do a number of other states. It is an outgrowth of the boom in outdoor sports and recreation during the Covid pandemic, he said.

Not all states are reporting big numbers. In Northern Minnesota, a series of bad winters has taken its collective toll on the deer herd.

Iowa's Likely Loss of No. 1 Spot Will Hurt

Outsize influence and economic boost to fade if Democrats demote caucus in voting order

By John McCormick And Catherine Lucey

Iowa's presidential caucuses have for the past five decades awarded the small, mostly white state an oversize sway in the nation's politics, providing local leaders with access to powerful politicians, boosting profits for restaurants and hotels and helping secure deferential treatment for corn-based ethanol and other segments of its economy.

But the prominence the state has enjoyed appears almost certain to be diminished following a decision by a powerful Democratic National Committee panel to take away Iowa's leadoff role in the party's presidential nominating process, a slot it has held since 1972.

Republicans still plan to kick off their 2024 nomination voting in Iowa, although some predict other states may try to supplant it as the GOP's first nominating contest in subsequent years. There have been frequent challenges from other states in the past, but this is the first time Iowa has faced an apparent loss of its leadoff status for either party.

The DNC's Rules and Bylaws Committee moved Friday toward the most significant changes in the party's nominating process since 2006 by backing a plan put forward by President Biden to allow South Carolina to host the first 2024 primary, followed by Nevada and New Hampshire on the same day, then by Georgia and then Michigan.

Iowa Democrats have vowed to continue to hold their caucuses ahead of any other state's presidential nominating contest, but that doesn't mean candidates will show up. The DNC has no authority over state law—Iowa's requires it to hold the nation's first caucuses—but the national party can penalize states and candidates that operate outside the party's framework, ranging from a loss of convention delegates to access to DNC-sanctioned debates.

Iowa's removal from the early mix, expected to be approved by the full DNC in February, will mean less international attention and the loss of tens of millions of dollars in TV ads and other spending. The Republican caucuses will still draw candidates, but Iowa will almost certainly no longer start the selection process for both parties and enjoy the benefits that status has offered.

"Having friends in the White House matters," said David Axelrod, a top figure in former President Barack Obama's administration and a veteran of multiple Iowa caucus campaigns. "Not that they would get an untoward advantage, but certainly the ability to call people you know in the White House—or to know the president and be able to get through to him—gives you a chance to shine a light on priorities for the state, so it's a loss for Iowa."

CHARLIE NEIBERGALL/ASSOCIATED PRESS

Troy Price, then the Iowa Democratic Party chairman, after discussing a delay in 2020 caucus results.

Iowa's diminished status followed a botched Democratic vote-counting effort in 2020 in the state that dragged on for days and marred the start of that year's presidential nomination race, while also boosting skepticism about the complex process of holding caucuses instead of primaries.

Caucuses—meetings at a fixed time where party members discuss their preferences and vote—have been abandoned in most other states amid criticism that they are inaccessible to people like shift workers.

"They cooked their goose with that tabulation fiasco," said David Yepsen, a longtime observer of the caucuses who spent more than three decades as a reporter and columnist at the Des Moines Register newspaper.

Iowa had clung to its caucus tradition in large part because that has allowed it to keep peace with New Hampshire, which has traditionally hosted the first primary. Both states have long argued their coveted early slots were appropriate because their traditions of retail politics allowed less-well-known candidates to make their mark even if they weren't well financed.

The caucuses drew national attention starting in 1976 when Jimmy Carter established himself as a front-runner following Iowa, where he finished second to uncommitted. In subsequent decades the state only grew in prominence in the nominating process.

Iowa had traditionally been a presidential-election battleground, but it has drifted Republican since former President Donald Trump carried it in 2016. In November, the state further solidified its status as shifting toward the GOP by electing Republicans to virtually all statewide offices and voting out of office the lone Democrat to hold one of its four U.S. House seats.

The capital, Des Moines, has been the biggest economic beneficiary of the Iowa caucuses, but related spending has touched almost every corner of the state. Candidate efforts to visit most of Iowa's counties—if not all 99—means dollars have flowed virtually everywhere between the Mississippi and Missouri rivers that form the state's eastern and western borders.

Trump's Meeting Alienates Some Jewish Supporters

By Aaron Zitner

Dov Hikind, a prominent Jewish leader in Brooklyn, endorsed Donald Trump for president in 2020. After Mr. Trump's recent dinner with two prominent promoters of anti-Semitic rhetoric, Mr. Hikind said he won't support Mr. Trump again.

"It is over, it is finished," Mr. Hikind, whose 36-year run as a state lawmaker ended in 2018, said of his support for the former president. "Right now, he's doing so much damage. He has disqualified himself from any of us supporting him ever again."

Republicans have tried for decades to boost their generally tepid support among the nation's Jewish voters, who gave President Biden nearly 70% their vote in 2020 despite Mr. Trump's argument that they should reward his stalwart backing of the Israeli government. Now, some prominent Jewish leaders say Mr. Trump has both damaged his nascent 2024 presidential campaign and hampered his party's outreach as a result of his dinner with the rapper Kanye West and the white nationalist Nick Fuentes, as well as his refusal to apologize for hosting them at his Mar-a-Lago resort.

Many Jewish leaders, including Mr. Hikind, say a spate of anti-Semitic violence and harassment around the country has created an elevated sense of threat from hateful speech—and that the image of any political leader will suffer for failing to sever ties with Mr. Trump.

RON ADAR/SOPA IMAGES/ZUMA PRESS

Dov Hikind, seen in 2020, says he won't support former president.

While calling out anti-Semitism is a first step, "with a few exceptions, they have failed to do something about it, which in this case would be cutting ties with the people who are having dinner with anti-Semites," said Andrew Rehfeld, president of Hebrew Union College, the main seminary for the Reform branch of Judaism. "In this case, it requires a distancing, and they are just not doing it."

House Minority Leader Kevin McCarthy, the party's likely selection to be the next House speaker, and some others have condemned Messrs. West and Fuentes on their anti-Semitic and racist views while avoiding direct criticism of Mr. Trump.

Some in the GOP have denounced Mr. Trump over the dinner. They include several Republican leaders who might challenge him for the party's presidential nomination, including former Vice President Mike Pence and Arkansas Gov. Asa Hutchinson, suggesting that the moral and political dangers of Mr. Trump's actions extend beyond Jewish voters, few of whom participate in Republican primary elections.

"I definitely think that more politicians—more Republicans, too—need to stand up for what's right," said Inna Vernikov, a Republican member of the New York City Council who met with Mr. Trump at his invitation earlier this year at Mar-a-Lago. "Even if they support President Trump, when he does something inappropriate, they need to say this is wrong, to condemn it and dissociate yourself from it."

Benjamin Netanyahu, who has been designated to return to the office of Israeli prime minister and form a new government, was asked in an NBC interview broadcast on Sunday whether Mr. Trump's actions create a danger for Jews. "If it's systemic and continues," said Mr. Netanyahu, one of Mr. Trump's closest allies among foreign leaders. "And I doubt that it will, because I think he probably understands that it crosses a line."

David Friedman, who was ambassador to Israel during the Trump administration, and Elan Carr, the State Department's anti-Semitism envoy under Mr. Trump, both called on the former president to disavow his two guests. Some other Jewish former members of his administration or their representatives didn't respond to inquiries, among them former Treasury Secretary Steven Mnuchin and the former economic adviser Gary Cohn.

Rep. Lee Zeldin, who some in the GOP are promoting to be party chairman after his loss in this year's election for governor of New York, this past week called Mr. West a "deranged anti-Semite," but a spokeswoman said he hasn't criticized Mr. Trump.

Mr. Hikind, known for his hawkish support of Israel and aggressive advocacy for Orthodox and Hasidic Jews in his state assembly district, said it was "insane" that a leader of Mr. McCarthy's stature hadn't broken with Mr. Trump. "When you start compromising with hate, you become a hater," he said of the House GOP leader. "Donald Trump is pulling down the Republican party again and again. Disengage, for God's sake."

—Dan Frosch contributed to this article.

Republicans Avoid Criticizing Trump On Constitution

Republicans distanced themselves from former President Donald Trump's call to ignore the Constitution and the 2020 election results, but shied away from directly criticizing the man who is still their party's political figurehead.

Former Vice President Mike Pence said the party should focus on the future, hours after Mr. Trump repeated his false claims that the 2020 presidential election was stolen from him and called for a new vote.

Speaking on Fox News Sunday, Mr. Pence said that in recent midterms, Republican candidates "focused on re-litigating the last election did not do as well."

Speaking on ABC on Sunday, Rep. Dave Joyce (R., Ohio) called Mr. Trump's notion of suspending the Constitution a fantasy, and said Republicans should focus on economic issues that helped them retake the House majority. Pressed by the moderator, George Stephanopoulos, Mr. Joyce said he would support Mr. Trump if he is the Republican nominee in 2024. "Well, you know, he says a lot of things that—but that doesn't mean that it's ever going to happen," he said.

In a posting on his social-media site Saturday morning, Mr. Trump repeated his claim that there was fraud in the 2020 election, a claim for which there is no evidence, according to the findings of former Attorney General William Barr.

"A Massive Fraud of this type and magnitude allows for the termination of all rules, regulations, and articles, even those found in the Constitution," Mr. Trump wrote. "Our great 'Founders' did not want, and would not condone, False & Fraudulent Elections!"

Rep. Mike Turner (R., Ohio) said Sunday that Mr. Trump's comment about terminating provisions of the Constitution was "certainly not consistent with the oath that we all take." He demurred when pressed about whether the remarks made him unfit to be the Republican Party's standard-bearer.

—Ted Mann

FTX Losses Aren't Explained

Continued from Page One

ble-counting would have created a huge hole in FTX's and Alameda's balance sheets, with assets that weren't really there. Mr. Bankman-Fried denied that double-counting affected FTX's financials—but acknowledged that Alameda's liabilities might not have been fully recorded.

"There are lots of ways that one could have done this in a responsible way," he said. "Clearly what we did was not one of them."

Until its demise last month, FTX was one of the world's biggest cryptocurrency exchanges and the 30-year-old Mr. Bankman-Fried one of the crypto industry's biggest stars. Crypto enthusiasts from around the globe deposited money into FTX so they could buy and sell digital assets. Alameda was a buyer and seller on FTX too—one of the exchange's biggest participants.

FTX filed for bankruptcy Nov. 11, unable to satisfy a wave of customer withdrawals. Alameda, which made a series of bad outsize trades, is bankrupt, too.

The fate of the missing billions is central to the bankruptcy proceeding, but unraveling it will be messy. FTX's new chief executive has said the firm's financial reporting is untrustworthy, and he described Mr. Bankman-Fried and his colleagues as "potentially compromised." He said FTX used software to conceal the misuse of customer funds.

Mr. Bankman-Fried said he didn't realize the size of Alameda's trades at FTX due to flawed internal systems. A dashboard that FTX administrators used to monitor big traders' bets failed to properly account for customer funds wired to Alameda bank accounts, an oversight that ended up obscuring the huge size and riskiness of Alameda's trades, he said.

Mr. Bankman-Fried said he was too swamped with work as head of FTX and too distracted by other projects to pay attention to the risks welling up in the trading firm he founded in 2017. "I didn't have enough brain cycles left to understand everything going on at Alameda if I wanted to," he said.

Echoing his comments in a blitz of recent media interviews, Mr. Bankman-Fried denied committing fraud or intentionally misusing customer funds.

Still, speaking to the Journal, he didn't rule out the possibility that FTX had broken its terms of service.

FTX allowed customers to borrow to make bigger trades than they could have made with only their own funds, a high-risk practice known as margin trading. The funds they borrowed came from a pool filled by other customers who signed up to be lenders.

The company's founder said that he 'can only speculate' where billions went.

But only some customers agreed to participate in this margin lending. For the other customers, FTX's 62-page terms-of-service document says that the digital assets in a user's account belong to that user and not to FTX—a provision that should have prevented them from being lent out and put at risk.

"I don't know of a violation of the terms of use," Mr. Bankman-Fried said. "I don't know every line of the terms of use. I can't confidently say there wasn't, but I don't know of one."

The interview with Mr. Bankman-Fried took place in Albany, the luxurious gated community in the Bahamas where he lives, in an empty condominium that was home to a group of FTX employees until they left the island country after the company's collapse. Mr. Bankman-Fried said he has been holed up to avoid paparazzi, some of whom filtered into Albany in recent days to cover a professional golf tournament.

"I pretty much never leave the apartment," he said. "Most of my closest friends and colleagues are not—I think probably don't want to talk with me right now."

A self-described nerd who majored in physics at the Massachusetts Institute of Technology, Mr. Bankman-Fried shot to fame when he became a crypto billionaire. He recruited celebrities such as football star Tom Brady and supermodel Gisele Bündchen to promote FTX. Now, he says fame might have clouded his judgment.

"It's not even that I enjoyed it particularly," he said. "It opened a lot of opportunities and doors that seemed very exciting to be exploring. And my mind wandered and I got really distracted."

Critics of Mr. Bankman-Fried in the crypto community have questioned the idea that someone with his intelligence could have blundered into losing billions of dollars, suggesting that he took the money knowingly.

Mr. Bankman-Fried says it wasn't theft.

"I ask myself a lot how I made a series of mistakes that seem—they don't just seem dumb," he said. "They seem like the type of mistakes I could see myself having ridiculed someone else for having made."

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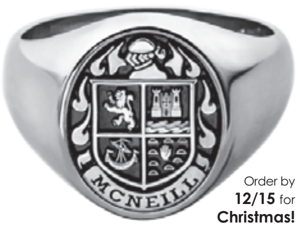

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Georgia's Endless Elections Give Boost to Local TV Coffers

By John McCormick
And Cameron McWhirter

ATLANTA—Georgia voters have suffered through an extra dose of political ads because of Tuesday's U.S. Senate runoff, and their pain has meant extra profit for WSB-TV, the station that has seen more money pass through it in 2022 than any other in the nation.

More than $86 million in political advertising flowed into the ABC affiliate so far this year, according to data from the ad tracker AdImpact. It is a windfall generated by a confluence of high-profile races for governor and U.S. Senate, including the bonus of the runoff between Democratic Sen. Raphael Warnock and Republican Herschel Walker. "Not only did they have multiple competitive races, but then they got a whole extra bite at the apple" with the runoff race, said Ken Goldstein, a polling and political analyst.

Over a period that includes the 2021 and 2022 runoffs, from Jan. 1, 2020, through Nov. 28, 2022, WSB-TV took in close to $232 million in political advertising, again significantly more than any station in the nation, AdImpact data shows. WSB-TV is the flagship television property of Atlanta-based **Cox Media Group**, which owns TV and radio stations in several states.

Among the five largest-grossing TV stations for political ads during the multiyear period, three came from Atlanta, according to AdImpact. The other two were in Phoenix and Detroit. For 2022, the second-highest recipient is the NBC affiliate KSNV-TV in Las Vegas, which attracted $59.7 million, AdImpact data shows.

Nationwide, AdImpact said about $8.9 billion has been spent so far by candidates and outside groups trying to influence local, state and federal elections. That compares with about $4 billion in the 2018 midterm cycle and about $9 billion in the 2020 presidential cycle.

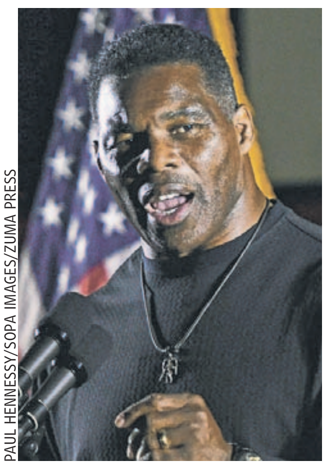
The largess from the campaigns has crowded out many regular businesses trying to advertise in Georgia, while also driving up costs, said Brian Easter, co-founder of the Nebo Agency, an Atlanta-based advertising firm.

Mr. Easter said that in this year's general election, the senate campaigns pushed prices for television spots and digital spending to historic highs in Georgia.

Georgia voters on both sides of the political aisle expressed exasperation at the deluge of advertising, much of it negative, on their TV sets, smartphones and laptops.

Antimo Ponticello, 38, who works in Georgia's growing television and film industry, voted at an early-voting station in heavily Democratic Atlanta recently. "I know who I am going to vote for," said Mr. Ponticello. "It is a waste of money. It is just noise."

Ginger Rhea, 46, who voted early for Mr. Walker in Dallas, Ga., northwest of Atlanta, said the ads interrupted her evening TV viewing. "We watch 'Jeopardy' and look forward to it, and all that ruined it," she said.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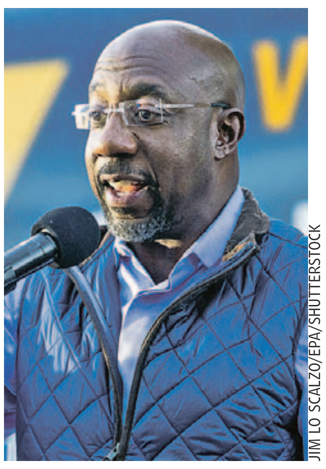
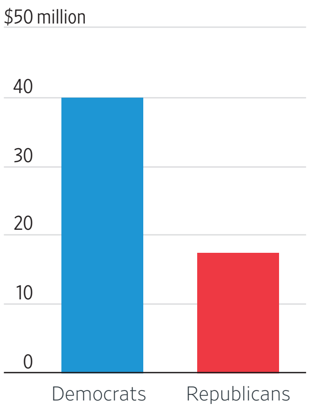

JIM LO SCALZO/EPA/SHUTTERSTOCK

Republican Herschel Walker, left, and Democratic Sen. Raphael Warnock face a Senate runoff on Tuesday.

Democrats have been dominating ad spending so far in Georgia Senate runoff



Note: Advertising spending by the candidates and their allies from Nov. 9 to Nov. 30
Source: AdImpact

Attack Cuts Power for Thousands

By Dan Frosch
And Ginger Adams Otis

About 45,000 people are without power Sunday in Moore County, N.C., after what authorities said was an intentional act of vandalism on local substations.

A spokesman for **Duke Energy** Corp., which provides power to the area, said its equipment was seriously damaged and the outages could last for days.

Two substations were disabled by gunfire beginning at 7:00 p.m. Saturday, County Sheriff Ronnie Fields said at a Sunday news conference. Mr. Fields said someone opened fire on the substations in a targeted attack, and authorities were searching for whoever is responsible.

"We faced something last night in Moore County that we've never faced before," Sheriff Fields said. "I promise you that the perpetrators out there...we will find them."

Authorities don't have any suspects and haven't determined a motive for the attack.

Sheriff Fields said they were looking into numerous possibilities, including that the vandalism was intended to disrupt a local drag show that had been set to take place. Mr. Fields said the Federal Bureau of Investigation and other law enforcement agencies were assisting in the criminal probe.

"Duke Energy is pursuing multiple repair paths to restore as many customers as possible, as quickly and safely as possible," said Jason Hollifield, the company's general manager for Emergency Preparedness.

Due to the power outage, Moore County, which is about 50 miles from Fayetteville, N.C., declared a state of emergency and a curfew was imposed from 9 pm to 5 am. Schools were canceled for Monday.

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WORLD NEWS

Ukraine Says Oil Cap Won't Hurt Kremlin

Keeping price below $60 a barrel won't slow Moscow's war effort, Zelensky warns

By Matthew Luxmoore

KYIV, Ukraine—Ukraine denounced a price cap on Russian oil agreed to by the U.S. and its allies as a weak measure that would fail to deprive Russia's military machine of funds, as Moscow said it could stop supplying consumers in response.

The Group of Seven agreed Friday to cap the price of Russian oil at $60 a barrel, moving forward with an unprecedented sanction against one of the world's largest producers following its invasion of Ukraine.

In his nightly address on Saturday, Ukrainian President Volodymyr Zelensky said the G-7 didn't go far enough.

"You can't call serious a decision on capping Russian prices that is completely comfortable for the budget of the terrorist state," he said. "It's only a matter of time before it will be necessary to use stronger measures. It's a shame that time will be wasted."

Ukrainian soldiers watch Russian positions in eastern Ukraine, where Russian forces are trying to take the city of Bakhmut.

YEVHEN TITOV/AGENCE FRANCE-PRESSE/GETTY IMAGES

The agreement among Australia and the G-7—Canada, France, Germany, Italy, Japan, the U.K. and the U.S.—will ban Western companies from insuring, financing or shipping Russian oil unless it is sold below $60 a barrel.

The U.S. and its allies designed the system in an attempt to cut into Moscow's oil revenue while keeping Russian crude—an important part of global supply—available on the market. It is aimed at leveraging the concentration of maritime services in the West to curb Moscow's ability to wage war in Ukraine.

"The EU agreement on an oil-price cap, coordinated with G-7 and others, will reduce Russia's revenues significantly," European Commission President Ursula von der Leyen said in a tweet on Friday. "It will help us stabilize global energy prices, benefiting emerging economies around the world."

Russian officials have threatened to cut off oil exports in response to the cap, arguing that the sanction distorts market dynamics and could lead to an increase in global prices. Kremlin spokesman Dmitry Peskov on Saturday said Russia rejected the price cap but had made preparations for its possible introduction.

Moscow's representative to international organizations in Vienna, Mikhail Ulyanov, said the move would deprive Europe of Russian oil supplies.

"Starting from this year Europe will live w/o Russian oil," he wrote on Twitter on Saturday. "Moscow has already made it clear that it will NOT supply oil to those countries who support anti-market price cap."

In his address on Saturday, Mr. Zelensky said the price cap wouldn't achieve its stated goal of choking off funds for Russia's military campaign in Ukraine, which has largely ground to a halt amid successful Ukrainian counteroffensives and the onset of winter.

He said it would instead allow Russia to continue reaping profit and inflicting pain on Western democracies already suffering from inflation and rising energy costs.

"This money will be used not only for the war and not only for Russia's continued sponsorship of other terrorist regimes and organizations," Mr. Zelensky said. "This money will go toward the continued destabilization of precisely those countries that are now trying to avoid serious decisions."

Ukraine has branded Russia a terrorist state for attacks that have killed civilians across the country and damaged thousands of residential buildings, and the European Parliament and the national parliaments of several countries have followed suit. Russia has denied targeting civilians and denounced the designation.

Efforts to deprive Moscow's budget of funds to keep waging the war in Ukraine come as offensive operations have slowed in the country's east and south. Damp spells in November and December have turned roads in many parts of Ukraine into mudtracks and made it difficult for armored vehicles to move forward.

Russian troops have continued efforts to take the city of Bakhmut in eastern Ukraine, despite a monthslong resistance by Ukrainian forces holding defensive lines in the area.

Russians Methodically Loot Art and Ancient Relics

By Ian Lovett

KHERSON, Ukraine—The glass at the Kherson Regional Museum that once protected ancient pottery from the area now lies broken on the floor. The fifth-century jewelry is gone. Shelves that used to house artifacts from the Cossacks, who lived in the area before it was conquered by the Russian Empire, are now empty.

Russians packed it all onto trucks before fleeing the city in November.

"Their plan was to destroy our history," said Olena Yeremenko, the museum's secretary, "and say there was only Russian history here."

The Russian retreat from Kherson has revealed a systemic attack on expressions of Ukrainian culture, Ukrainian officials say.

At the art museum, thousands of works were stolen, including all the paintings by Ukrainian artists. The director of the city's philharmonic was killed and the local theater director briefly detained. Statues were pulled from their pedestals and brought to territory that Moscow more firmly controlled, before the last Russian troops slipped east across the Dnipro River out of Kherson on Nov. 10.

The looting is part of a wider effort to destroy any Ukrainian identity that distinguishes the country from Russia.

More than 200 Ukrainian cultural sites have been partially or completely destroyed, according to the United Nations Educational, Scientific and Cultural Organization. In occupied parts of the country, residents say, Ukrainian flags are banned. Wearing a vyshyvanka—a traditional Ukrainian woven shirt—can lead to detention. Books in Ukrainian are being pulled from school shelves and tossed out.

"Our culture and our language are on the front lines," Oleksandr Tkachenko, the Ukrainian culture minister, said on Nov. 9, which the country celebrates as the day of Ukrainian language.

A Russian attack on Nov. 30 damaged Kherson's art museum.

JUSTYNA MIELNIKIEWICZ/ MAPS FOR THE WALL STREET JOURNAL

Russian officials didn't respond to requests for comment, but have said publicly that they were taking both civilians and cultural artifacts from the city to protect them from Ukrainian attacks.

Russian troops began showing up at cultural sites in Kherson in late October, as the region's Moscow-appointed government was relocating to east of the Dnipro River. At the end of the month, a group of about 10 soldiers arrived at St. Catherine's Cathedral, where the coffin of Grigory Potemkin lay in a crypt beneath the floor, said Ilya Bologa, a priest at the cathedral.

An 18th-century statesman, Potemkin is generally credited with founding Kherson and Odessa as his lover, Russian Empress Catherine the Great, was expanding the empire south. Since his death in 1791, he has become a hero to many Russians nostalgic for imperial times. His grave has also been repeatedly dug up, often in the hopes of proving that the remains are truly his, which some locals still doubt.

The Russian soldiers picked up the wooden coffin that held Potemkin's bones, hauled it up them staircase, and loaded it into a van, Mr. Bologa said.

Volodymyr Saldo, head of the Moscow-appointed administration in the Kherson region, told Russian television the bones had been brought east across the river to keep them safe.

At the same time, Russian troops were grabbing anything of value on their way out of the city. Electronics stores, garages and storage lockers were pillaged, Kherson residents said. A raccoon was taken from the local zoo; a video later posted on social media shows it biting Mr. Saldo's finger.

The looting of cultural sites, however, was more methodical. On Nov. 1, the Russian-installed head of the Kherson Art Museum ordered Hanna Skrypka, a Ukrainian employee, to come to the museum. When she arrived, she found 10 people in civilian clothes who introduced themselves as workers from Russian museums.

Ms. Skrypka said she spent the next 36 hours trapped in the museum, barred from leaving until the Russians had packed up and taken away everything in the collection.

She said the Russian workers told her they were evacuating the art to save it from the approaching Ukrainian army. "Otherwise, they'll destroy everything," she recalled them telling her.

The museum workers tried to pack the works carefully. But 30 more men with no apparent expertise were carrying the pieces out—sometimes passing them one to another in a line. Ms. Skrypka said many pieces were mishandled and likely damaged.

"I think we'll lose some of those forever," she said.

Legacy of a Leader

William "Bill" Davidson (1922-2009)

A lifelong entrepreneur and philanthropist, Bill Davidson achieved tremendous success in international manufacturing and the sports and entertainment industries.

Mr. Davidson established the William Davidson Foundation to continue his commitment to transformative ideas, institutions, and initiatives that deliver lasting value.

December 5th would have been Mr. Davidson's 100th birthday. On this special occasion, the Foundation honors his legacy of leadership.

William Davidson
WILLIAM DAVIDSON FOUNDATION

Poland Strike Fueled Kyiv-NATO Tension

Ukraine's initial claim in November that a strike fired by Russia—and not by its own forces—was responsible for the death of two Polish citizens revealed one of the sharpest public divergences between Ukraine and the U.S. since Russia's invasion of its neighbor in February.

*By **Nancy A. Youssef** in Washington, **Laurence Norman** in Berlin and **Drew Hinshaw** in Madrid*

The incident caused a moment of dangerous high drama, as the world watched to see if Russia had attacked Poland, a NATO alliance member, a possibility that was quickly discarded.

Nonetheless, what happened that night exposed a tension that has been present since the start of the war: While Kyiv hopes to increase the North Atlantic Treaty Organization's role in combating Russia in Ukraine, Washington and its European allies are determined to avoid steps that could trigger direct conflict.

The missile incident on Nov. 15 came as strains had emerged between Ukraine and Washington over calls by some U.S. officials for Kyiv to start to think about the terms of peace negotiations with Russia.

In the weeks since the incident, Western and Ukrainian diplomats say, Kyiv and Washington have smoothed over the tensions. But some Western officials remain rattled by Ukraine's response, which appeared an attempt to prod NATO a step closer to direct conflict with Moscow.

Police officers in Poland checked the site of the missile blast.

MICHAL DYJUK/ASSOCIATED PRESS

Within hours of a missile landing less than 5 miles inside Poland, the U.S. had determined that the strike was the result of a Ukrainian missile-defense munition, using signals, radar and other intelligence, U.S. defense officials said.

Washington was quick to share its conclusions with Poland, which had started investigating the incident. In Bali, Indonesia, on the sidelines of the Group of 20 leaders meeting, President Biden told leaders from other advanced democracies that Washington believed Russia hadn't fired the missile.

The missile strike hit the Polish town of Przewodow around 9:35 a.m. EDT. By that afternoon, the U.S. began sharing its assessment that a Ukrainian missile was responsible for the incident with the Ukrainians and Poles, U.S. officials said.

By late afternoon, Ukrainian President Volodymyr Zelensky had delivered his nightly video address, directly blaming Russia for the attack. That was in contrast to Polish officials, who were showing caution in attributing blame for the incident.

Ukraine's response to the incident reflected a longstanding feeling in Kyiv that, by defending themselves from Russia, the country is protecting the eastern flank of NATO. In the hours after the attack, Ukrainian officials, whose country isn't a member of the alliance, called for a series of NATO responses.

The following morning, even as Polish officials made clear they wouldn't press for a collective NATO response, senior Ukrainian officials doubled down on claims that Russia was behind the attack.

After discussing the situation with U.S. Secretary of State Antony Blinken, Ukrainian Foreign Minister Dmytro Kuleba said on Twitter on Nov. 16 that he had "stressed the response to what happened in Poland must be stiff and principled."

Later that day, Mr. Zelensky and his officials started to dial back their narrative. Mr. Zelensky said he was relying on information from his military in saying the missile that fell in Poland had been fired by Russian forces. He added, however, that if an investigation showed it was a Ukrainian missile, Kyiv would apologize.

Russian officials exploited the divergent narratives, with Russia's ambassador at the United Nations saying Ukrainian and Polish officials were trying to spark a war between Russia and the West.

By Nov. 17, Ukraine was seeking to close down any rift with Poland. Warsaw invited Ukrainian officials to join its official investigation. They arrived the next day.

Meanwhile, Western officials were stressing that Ukraine wasn't to blame for the incident, given the missile barrage they were under from Russia.

"This is not Ukraine's fault," NATO Secretary-General Jens Stoltenberg said. "Russia bears ultimate responsibility."

Japan To Bolster Supplies Of LNG

By River Davis

TOKYO—Japan's government is planning to create a strategic buffer of liquefied natural gas, trying to build resilience against the kind of energy crunch that hit Europe this year.

The government is targeting imports of at least 840,000 tons of LNG a year under the program, according to a summary supplied by the Ministry of Economy, Trade and Industry.

The effort reflects concern in Tokyo about possible future cutoffs in LNG shipments. In Europe, prices of natural gas have in some cases soared to their highest levels yet after Russia halted most of its pipeline gas supply in the wake of its invasion of Ukraine.

Japan is the world's biggest importer of LNG, which is natural gas supercooled into liquid form and carried by ship. This year it has done better than others in avoiding shortages or out-of-control prices because it relies mostly on long-term contracts that guarantee supply and are indexed to oil prices, which haven't risen as rapidly as LNG spot prices.

Under Tokyo's new policy, the Ministry of Economy, Trade and Industry would call on certain big commercial importers to bring into the country extra buffer cargoes starting in December 2023. In an emergency, the government could order those importers to direct the gas to locations with the greatest need.

The policy calls for the buffer shipments to bring in about 70,000 tons of LNG each month, according to the ministry. Initially it would last until February 2024 and eventually, the government would aim to secure at least 12 cargoes of that size for its buffer strategy each year, it said.

Venezuela Return Brings Chevron Risk

By Collin Eaton, José de Córdoba and Patricia Garip

MIGUEL ZAMBRANO/AGENCE FRANCE-PRESSE/GETTY IMAGES

Chevron hopes working with Venezuela's national oil company will pay off. Above, the Peace Monument in front of PdVSA's Caracas offices

The U.S. government reversed course in late November and cleared the way for **Chevron** Corp. to pump oil in Venezuela again, but the company's new license to operate carries considerable risk.

The oil giant will have to partner with an authoritarian regime accused of crimes including human-rights violations, sprawling corruption and state-sponsored narcotics trafficking.

Days after the U.S. authorized Chevron's return, the company's top executive there met with Venezuela's oil minister, a man the U.S. has accused of drug smuggling. Tareck El Aissami, who denies the U.S. accusations, tweeted congratulations to the company on its coming centennial in Venezuela following the meeting. He said Chevron and Venezuela would soon sign new contracts to boost production.

"TIME TO PRODUCE!!" tweeted Mr. El Aissami, for whom the U.S. has offered a reward of up to $10 million for information leading to his capture.

Chevron spokesman Ray Fohr said it is normal business practice for its top executives in Venezuela to meet with authorized representatives of the country's government and national oil company, Petróleos de Venezuela SA, or PdVSA, in relation to U.S.-authorized activities. Mr. El Aissami and Chevron's country manager, Javier La Rosa, signed multiple contracts on Friday on live television in Caracas.

Winning the six-month license culminates Chevron's yearslong strategy of remaining in the country despite tightening U.S. sanctions and accusations of enabling the regime of Venezuelan President Nicolás Maduro. Chevron's energetic lobbying campaign helped it win the right to run its oil operations in Venezuela and sell the output, potentially recovering more than $4 billion in debt from PdVSA.

Chevron is the only major Western oil company cleared by the U.S. to resume operations in a country possessing some of the world's largest oil reserves. Investments in new assets are still prohibited.

But as the U.S. oil giant readies crews to boost production of Venezuela's oil and export cargoes to U.S. refiners, it is further entangling itself in fraught international and domestic politics that pose a risk to its investments.

"This isn't your typical business deal," said Francisco Monaldi, a director of the Latin America Energy Program at Rice University's Baker Institute. "It is no doubt risky."

For one thing, the U.S. says the deal hinges on the progress of future negotiations between Mr. Maduro's government and a coalition of his political opponents to hold free elections within two years. The success of these negotiations, which resumed in late November in Mexico, is far from assured.

Last year, Mr. Maduro walked away from similar talks. And this past week, four days after the license was granted, Mr. Maduro railed against the opposition coalition he will be negotiating political terms with, calling them "right-wing coup conspirators, interventionists, pro-gringo terrorists."

The U.S. says renewal of Chevron's six-month license is contingent on concrete progress in the negotiations, and that it is willing to revoke the license if it isn't satisfied with the process.

Chevron's gamble might help its oil business. The number of places around the world where it can sink big investments into fossil-fuel development has declined in recent years. Sanctions have cut off Russia to Western oil companies, and Middle Eastern countries increasingly choose their own state-owned producers to develop their reserves. Meanwhile, U.S. shale fields are showing signs of aging, and some investors have soured on mega-offshore projects.

Analysts say Latin American countries like Brazil and Guyana will play a central role in the future of the Western companies, even as more of them, especially from Europe, focus on natural gas and renewable energy instead.

Some analysts and executives say they believe the issuance of the Chevron license signals the beginning of the end of sanctions barring the Western oil industry from Venezuela. Spain's Repsol and Italy's ENI are among non-U.S. companies that are pressing Washington for equal terms, people familiar with the matter said.

Venezuela has figured prominently in Chevron's international operations for almost a century, as the company calculated it had the wherewithal to outlast changing governments in Caracas and Washington alike. It remained there even as many of its peers, including **Exxon Mobil** Corp. and ConocoPhillips, pulled out when their assets were nationalized, and some European companies exited some assets following strict U.S. sanctions.

The logic of Chevron's bet on staying put in Venezuela is that it will have earlier access to the country's vast resources if the political clouds clear, said Edward Chow, a former Chevron executive and a senior associate at the Center for Strategic and International Studies.

OPEC+ Won't Lift Output

Continued from Page One

for spot-market customers in Europe, Asia and the U.S., which will be closely watched for signs of the kingdom's own view of the market.

KAMRAN JEBREILI/ASSOCIATED PRESS

Saudi Prince Abdulaziz bin Salman had floated a production cut.

OPEC had considered an array of options before Sunday's unusual meeting, which was abruptly changed to a virtual gathering after initially being billed as in-person. OPEC normally meets during the workweek, but this meeting was scheduled for the weekend ahead of the price cap and EU embargo, without explanation.

Some members had advocated for a production increase heading into the meeting, pointing to the potential for disruptions of Russian oil that some analysts put at 1 million to 1.5 million barrels a day following the price cap. Russian officials on Sunday reiterated that they won't trade any oil at all with nations that implement the price cap.

But in the days before the meeting, a consensus formed that it wasn't the right time to increase output, OPEC delegates said. Prices have fallen 13% in the past month and dropped 5% in one day last month when The Wall Street Journal and other organizations reported on talks of an output increase.

Prices have since stabilized, but Brent crude, the international benchmark, was at $85.42 on Friday, and West Texas Intermediate, the U.S. benchmark, was at $80.34—far below the $90 a barrel level where some oil-market analysts say the group wants to see prices.

Some OPEC members, including Saudi Energy Minister Prince Abdulaziz bin Salman, floated the idea of another production cut, following the 2 million-barrels-a-day cut in October that surprised the White House and angered much of Washington. A cut would have shown that OPEC+ was concerned about Chinese lockdowns designed to stop a resurgent Covid-19 outbreak and their effect on demand—worries that have pulled oil prices down in recent days.

OPEC and oil traders have reacted with uncertainty to the G-7 and EU price cap. The U.S. and its allies designed the price to cut into Moscow's oil revenue while keeping Russian oil, a key part of global supply, available on the market. It aims to take advantage of the concentration of key maritime services in the West to try to curb Moscow's ability to wage war in Ukraine.

Oil prices also fell Friday after the EU agreed to the cap, as traders discounted fears the mechanism would force much Russian oil out of the market and cause a supply issue. Russian crude has traded at a steep discount this year, with Argus Media, which assesses commodity prices, pegging the price at about $48 a barrel.

China's Xi Jinping is expected to travel to Saudi Arabia and discuss energy.

Still, OPEC delegates have said its production plans may be raised early next year. They said they trust estimates that Russian oil exports could fall by over 1 million barrels a day due to the price cap. The prediction is consistent with the International Energy Agency, which advises consumer nations, and foresees a decline of 1.4 million barrels a day. Russian oil production stood at 9.9 million barrels a day in October.

Helima Croft, the chief commodities strategist at Canadian broker RBC, said Russia may well follow through on its threats to stop selling to buyers implementing the price cap. "To date, Moscow has followed through with multiple disruption threats," she said.

Meanwhile, Srijan Katyal, global head of strategy at Emirati broker ADSS, said fears of a global recession and inflation rates could send oil prices down into the lower $60s.

The alliance isn't planning to review its production until its next meeting, on June 4. But OPEC said Sunday it was ready "to meet at any time and take immediate additional measures to address market developments" if needed.

OPEC+'s decision to cut production in October angered the White House and congressional Democrats, who said it undermined global efforts to blunt Russia's war in Ukraine and viewed it as a political slap in the face to President Biden ahead of midterm elections. But U.S. officials have said privately in recent days they wouldn't complain to the cartel if it kept curbs, as prices have eased significantly, according to people familiar with the matter.

OPEC delegates said they didn't have more clarity Sunday on how a Russian oil price cap would affect the market than they did in October, when they announced the production cut. Back then, on Oct. 5, Prince Abdulaziz said he had never encountered a more uncertain period in the oil market in his career.

"We don't have a crystal ball," he said then. "It is making it extremely complex and tough and frustrating for all of us here."

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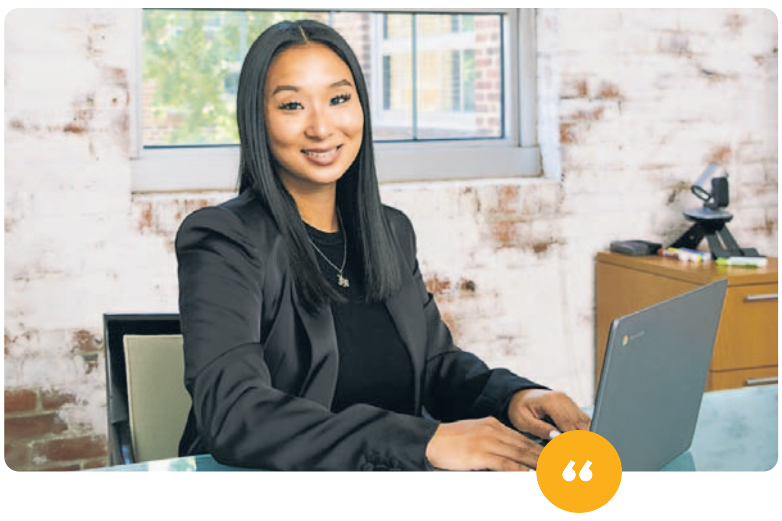

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WORLD NEWS

Israeli Official Visits Bahrain to Lift Ties

Herzog's first trip to Gulf nation comes amid concerns about flagging relationship

By Dion Nissenbaum

MANAMA, Bahrain—Israeli President Isaac Herzog made his first visit to this tiny Gulf nation Sunday amid concerns that efforts to deepen ties with onetime adversaries in the Middle East are stalling.

While Israel has made significant advances with the United Arab Emirates in the past two years, relations have been slower to flourish with Bahrain and other countries that normalized ties in deals brokered by the Trump administration known as the Abraham Accords in 2020.

Speaking to Bahrain's King Hamad bin Isa Al Khalifa, Mr. Herzog said, "You are at the forefront of making history in the region, where Jews and Muslims can dwell together, the sons of Abraham, and move forward in peace. It is a long process, but we can dream of it and we can see it."

Trade between Israel and the U.A.E. more than doubled between the first half of 2021 and the first half of 2022, from $560 million to more than $1.2 billion. Trade between Israel and Bahrain in 2021 was $7.5 million. More than half a million Israelis have traveled to the U.A.E. since 2020. Fewer than 20,000 Israelis have traveled to Bahrain this year.

The Abraham Accords were intended to launch a transformative new chapter for the region. But two years later, even their advocates say new links between Israel and the Arab world have been slow to develop beyond government security and diplomatic ties and Israeli tourism in the U.A.E. Hopes that other Arab countries, especially Saudi Arabia, would join the U.A.E., Bahrain, Morocco and Sudan in normalizing relations haven't materialized.

Instead, public support for the Abraham Accords has fallen across the Arab and Muslim world. In Bahrain, 20% of the population supports the accords, compared with 45% in 2020, according to polling by the Washington Institute for Near East Policy released in July. Support in Saudi Arabia fell to 19% from 41%. Even in the U.A.E., where the benefits have been the most tangible, support fell to 25% from 47%.

David Pollock, a Washington Institute fellow who oversaw the polling, said people who had high expectations that the accords would improve their daily lives have been disappointed. So far, the biggest beneficiaries have been Israeli defense contractors—which have secured $3 billion in deals with Abraham Accord countries—and those working in tourism.

HAMAD I MOHAMMED/REUTERS

Trade in 2021 between Israel and Bahrain, whose capital, Manama, is seen above, was $7.5 million.

"There was a moment of excitement, anticipation and optimism about the Abraham Accords in some of these countries, and ordinary people in general haven't actually seen much benefit—economic or otherwise," Mr. Pollock said.

Outside of the U.A.E., the accords' successes have largely been driven by military and intelligence cooperation and symbolic diplomatic achievements, such as a first-of-its-kind gathering in Israel this year of Arab foreign ministers.

Diplomats, business leaders and analysts across the Middle East say the accords need to produce tangible results for people by creating new jobs, sparking new businesses and ensuring that Palestinians are included in the economic benefits of the new ties.

"Ultimately, the outcomes need to touch the lives of regular people in Bahrain, in the U.A.E., in Israel," said Shaikh Abdullah bin Rashid Al Khalifa, Bahrain's ambassador to the U.S.

The accords haven't taken off in Bahrain like they have in the neighboring U.A.E., in part because it is a much smaller market, said regional diplomats. One of Bahrain's biggest appeals is that it can serve as an unofficial gateway to the more coveted and lucrative Saudi market.

Iran Ends Morality Police

Continued from Page One

A decision to formally disband the morality police would likely involve Iran's Supreme Leader Ali Khamenei, who has strongly defended mandatory hijab in recent years, and the Supreme Council of the Cultural Revolution, a government panel appointed by Mr. Khamenei that created the police force.

"The people's problem with the Islamic Republic is not only the hijab," said Azam Jangravi, who was jailed in Iran for protesting against the veil, and now lives in Canada. "Even if they remove the hijab, the people want regime change."

Mr. Montazeri said that recommendations for changes in the hijab law would be made this month. "We are working on the issue of hijab quickly and trying to employ a wise solution," he said.

He said the disbanding of the morality police, a force established in 2005, had been made by a committee of government officials but provided no other details. He said the country's Islamic courts would continue to monitor public behavior, according to media accounts of his remarks.

The laws around women's head coverings sparked the nationwide protest movement that began after the death of 22-year-old Mahsa Amini, who died in custody after being arrested by the morality police for improperly wearing her hijab. Her death touched a nerve among many Iranian families whose female members have been targeted by officers tasked with enforcing the country's strict Islamic codes for clothing and behavior. Among those protesting have been conservative women and men, joining throngs of young secular people who say the enforcement of rules has often been capricious.

Some women have burned their hijabs and shunned wearing them in public since the protests started. Many young protesters say they are seeking not only elimination of the hijab but also to bring down Iran's theocratic government.

Tehran appears to be testing if it can blunt the impact of monthslong protests.

The regime appears to be testing if such concessions might peel away broader support for the demonstrations among other Iranians, some analysts say.

"They are probably tired and think some small superficial concessions like this will quell the uprising against them," said Mahsa Alimardani, a senior researcher at London-based Article 19, a human-rights group. "This move certainly won't stop protesters or appease those chanting for complete regime change."

Secretary of State Antony Blinken said Tehran's announcement could be a positive response to the protests. "But we have to see how it actually plays out in practice and what the Iranian people think," he said on CBS on Sunday. Asked if he thought this act would stop the protests, Mr. Blinken said, "This is about them, and it's up to them."

The Biden administration in September and October heaped more sanctions on the country as the death toll rose, including children. Among those targeted included the morality police, its senior leadership and a host of other top Iranian officials in charge of the country's prisons, security and military forces the U.S. said are responsible for alleged human-rights abuses against protesters.

The morality police have eased their enforcement of the hijab law and other statutes regulating women's public dress and behavior since the protests began, Iranians and analysts say. But there has been no official announcement that the police force has been disbanded, other than Mr. Montazeri's comments.

Widespread support for the protests may force the government to abandon enforcement of the hijab law in most public places other than in government buildings, official events and other high-profile circumstances, some analysts said.

Support for the hijab statute remains strong among male conservatives and clerics, complicating any move to eliminate it by Iran's hard-line leadership. Only weeks before the protests began, Mr. Raisi called publicly for stricter enforcement of the law, state-run news agencies reported.

The presence of the morality police on the street had been on the decline until Mr. Raisi took office in 2021 and stepped up their aggressiveness at enforcing the dress code, said Sanam Vakil, Deputy Director of the Middle East and North Africa Program at Chatham House, a London-based think tank. For that reason, getting rid of the force might be an option even conservatives could accept.

"It's probably the lowest-lying fruit and the easiest change the Islamic Republic could make," she said. "I read this as symbolic and certainly not enough to build back bridges or placate the protesters."

—Ian Talley contributed to this article.

WORLD WATCH

UNITED KINGDOM

Russian Businessman Is Arrested in Raid

British police arrested a wealthy Russian businessman at his upscale London home, officials said Saturday, amid stepped-up pressure by the U.K. on Russian émigrés who are suspected of aiding the rule of President Vladimir Putin.

The U.K.'s National Crime Agency said more than 50 of its officers took part in the raid, seizing cash and digital devices. Police also arrested a man employed at the residence after he was seen leaving with a bag containing thousands of pounds in cash.

The 59-year-old businessman, whom police declined to identify, was detained on suspicion of money laundering, conspiracy to defraud the Home Office and conspiracy to commit perjury, police said, and then released on bail.

—Alan Cullison

LIAN ZHEN/ZUMA PRESS

Chinese astronaut Liu Yang is carried from the return capsule.

IRAN

Four Accused of Ties To Mossad Executed

Authorities executed four people on Sunday accused of working for Israel's Mossad intelligence agency, the state-run IRNA news agency reported. Three others received lengthy prison sentences.

IRNA reported the country's powerful Islamic Revolutionary Guard Corps announced the arrests of a network of people linked to the Israeli agency. It said the members had previous criminal records and tried to disrupt the country's security.

Iranian authorities provided no evidence for any of the alleged crimes.

—Associated Press

CHINA

Three Astronauts Return to Earth

Three Chinese astronauts landed in a northern desert on Sunday after six months working to complete construction of the Tiangong station, a symbol of the country's ambitious space program, state television reported.

A capsule carrying commander Chen Dong and astronauts Liu Yang and Cai Xuzhe touched down at a landing site in the Gobi Desert in northern China, China Central Television reported.

The three astronauts were part of the Shenzhou-14 mission, which launched in June.

—Associated Press

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WORLD NEWS

China Loosens Covid Curbs Amid Outcry

By Chun Han Wong

HONG KONG—Local authorities across China are paring some of their strictest Covid-19 control measures, just days after public anger spilled over into rare protests against a zero-tolerance approach that has kept the country largely isolated for three years.

In recent days, officials in major cities—including Beijing and other areas where protests broke out a week ago—said they were lifting some curbs on residents' movements, such as by ending mandatory Covid testing for people who want to use public transport or enter parks and other public spaces.

Authorities are also making a fresh push to vaccinate elderly and other vulnerable citizens—a segment of the population public-health experts say needs higher vaccination rates before China can fully ease Covid controls without a large surge in serious cases that could overwhelm the country's hospitals.

So far, the trajectory of easing restrictions has held even as recent outbreaks continue to buffet China, in places such as Beijing and the southern province of Guangdong. China's National Health Commission said it recorded two Covid-related deaths on Saturday, along with tens of thousands of new locally transmitted infections.

The recent changes in Covid policy, which some experts have interpreted as part of an apparent recalibration in Beijing's broader approach to the pandemic, come after a wave of protests erupted late last month against Chinese leader Xi Jinping's zero-Covid strategy.

The strategy, which has remained largely unchanged since Beijing acknowledged the Covid-19 outbreak in the central Chinese city of Wuhan in early 2020, relies on harsh lockdowns and mass testing to contain outbreaks, resulting in lower death tolls than in other countries. Even so, the measures have become an increasingly volatile source of frustration for Chinese citizens, as the policy throttles the domestic economy and upends people's lives.

WU HAO/SHUTTERSTOCK

People line up for Covid-19 tests in Beijing, where residents need to show a negative result to enter most public spaces and businesses.

Over the past week, authorities have headed off fresh unrest by maintaining a large police presence in major cities, using digital surveillance to track down protesters and scrubbing dissent from social media. At the same time, officials and state media started softening their tone on the dangers of Covid, saying efforts to combat the virus have entered a new phase.

No large-scale public protests have taken place in the Chinese capital since the demonstrations a week earlier. In the popular shopping and nightlife district of Sanlitun and along the Liangma River, the site of last Sunday's protests, large numbers of police were also deployed on Saturday night.

On Thursday, Mr. Xi told visiting senior European officials that the recent unrest reflected frustration about Covid controls and suggested the pandemic has entered a less deadly stage, European officials familiar with the situation said.

His remarks echoed public comments from other officials, including Vice Premier Sun Chunlan, who have said the country now faced a new situation in its Covid fight, given that the Omicron variant has caused fewer deaths and less-severe sickness.

Some analysts say the easing measures don't yet amount to an abandonment of the zero-Covid policy. "Rather, we see them as clear evidence of the Chinese government preparing for an exit, and trying to minimize the economic and social cost of Covid control in the meantime," Goldman Sachs economists told clients in a research note on Sunday. "The preparations may last a few months and there are likely to be challenges along the way."

Some Western officials have credited the recent protests with helping push the Chinese government to ease Covid restrictions. "We have seen the protests die down in China, and the reason they died down is they actually had an effect," U.S. Deputy Secretary of State Wendy Sherman said in remarks on Friday at American University in Washington.

On Sunday, Secretary of State Antony Blinken sidestepped when asked during a CBS television appearance whether protests appeared to stop because of relaxation in Covid controls or police action. "Very hard for us to speak to that," he said. "We've been standing up for the basic principle that people should have the right to make their views known peacefully."

Since the protests, municipal authorities in Beijing and other major cities have eased some Covid restrictions on residents' movements.

More people could be seen returning to Beijing's streets over the weekend, as some previously closed businesses, such as barber shops and shopping malls, reopened. At the same time, the government removed some Covid-testing booths, leading to long lines at the testing centers that are still operating. As in many Chinese cities, Beijing residents continue to be required to hold proof of a negative result to enter most public spaces and businesses.

North Korea's Powerful New Missile Falls Short as a Weapon

By Dasl Yoon

SEOUL—North Korea celebrated the recent launch of a powerful intercontinental ballistic missile with the bravado the world has come to expect from Kim Jong Un's regime.

The North Korean leader described the country's missiles as "monuments to be passed down to our descendants for generations to come" and promoted more than 100 military officials and scientists involved in missile development. He gave the missile's launch vehicle the title of national hero and brought his daughter—making her first public appearance—to the test.

North Korea has said the ICBM was the Hwasong-17, its newest generation of missiles. However, experts say that for now it lacks the technology that would make it a potent weapon against the U.S.

The ICBM tested on Nov. 18 was launched at a lofted trajectory, reaching an altitude of more than 3,700 miles and traveling a distance of about 620 miles. Japanese officials said it had the range to cover the entire U.S. mainland if it were on a regular trajectory.

For the Kim regime, possessing nuclear weapons is a way to forestall attempts at regime change. The country declared itself a "full-fledged nuclear power capable of standing against the nuclear supremacy of the U.S. imperialists," in an order signed by Pyongyang's rubber-stamp parliament on Nov. 26 and published in state media the next day.

While North Korea has long established that it has nuclear weapons and ICBMs, the question of whether the regime possesses the technology to send a missile through the atmosphere while carrying several nuclear warheads is a different matter.

Based on the Hwasong-17's length and diameter, first unveiled during a military parade in October 2020, it appears capable of delivering a larger payload compared with the country's previous generation of ICBMs, the Hwasong-15.

KOREAN CENTRAL NEWS AGENCY /ASSOCIATED PRESS

Kim Jong Un, center, with what Pyongyang says is the Hwasong-17.

North Korea hasn't shown that the ICBM can launch successfully while carrying heavy components that allow a missile to strike multiple locations at once. To do that, the ICBM would need to carry a post-boost vehicle, an apparatus that detaches from the missile's main boosters outside the Earth's atmosphere and releases multiple warheads at separate targets, said Chang Young-keun, a missile expert at Korea Aerospace University in South Korea. These components combined add extra weight of up to two tons, diminishing the distance the missile can travel by about 1,200 to 2,500 miles, he said.

"The next step for North Korea would be to miniaturize its warheads," Mr. Chang said.

The Hwasong-17 would make a significant military and technological addition to Pyongyang's existing ICBMs if it was equipped with a system that allows it to drop multiple warheads on different targets simultaneously—what is known as a multiple independently targetable re-entry vehicle, or MIRV. North Korea hasn't demonstrated that it has a MIRV with the ability to withstand extremely high temperatures during re-entry into the Earth's atmosphere.

Only a handful of countries, including the U.S., Russia and China, are known to have MIRV missile systems. In a January 2021 speech, Mr. Kim said developing the multiwarhead technology was one of his goals. The MIRV would significantly increase the threat to Washington and its allies because their anti-ballistic-missile defense systems rely on a limited number of interceptors, which may be inadequate to defend against multiple warheads attacking at once.

The other challenge for North Korea is being able to deploy its missiles without being detected by U.S. or South Korean missile-defense systems. North Korea has only tested the Hwasong-17 from the Sunan area, on the outskirts of Pyongyang, where a ballistic-missile support facility is located. This suggests the ICBM can only be fired from places that are specifically designed for missile launches, such as the Sunan International Airport, and can't be transported to discreet locations, weapons analysts said.

Weather

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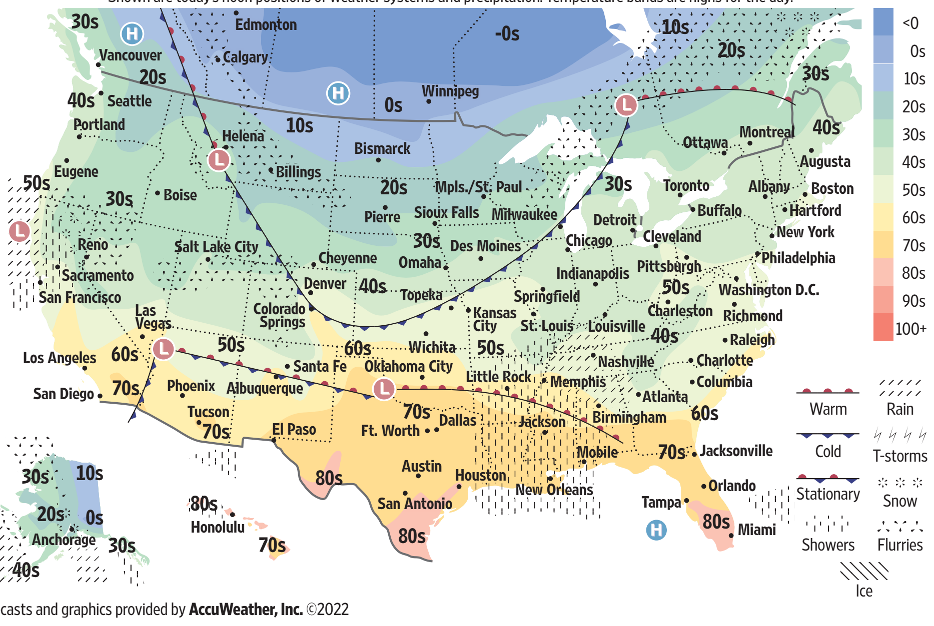
Shown are today's noon positions of weather systems and precipitation. Temperature bands are highs for the day.



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U.S. Forecasts

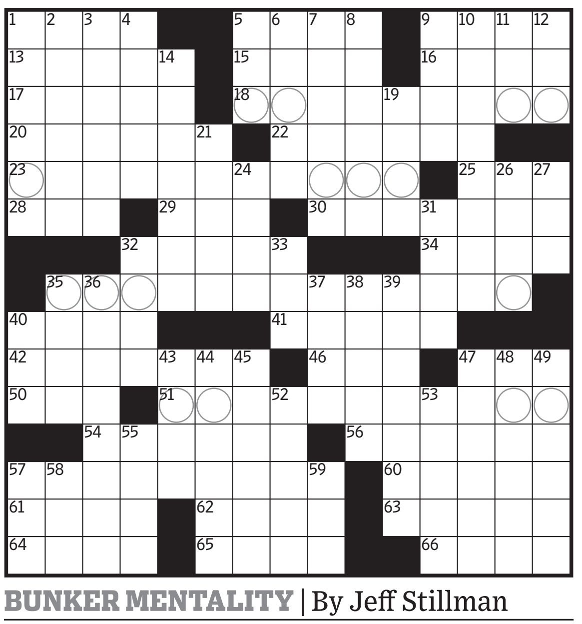
s...sunny; pc... partly cloudy; c...cloudy; sh...showers; t...t'storms; r...rain; sf...snow flurries; sn...snow; i...ice

City	Today Hi	Today Lo	Today W	Tomorrow Hi	Tomorrow Lo	Tomorrow W
Anchorage	26	24	sn	29	25	sn
Atlanta	54	50	r	66	60	r
Austin	75	64	pc	80	68	c
Baltimore	51	39	s	52	48	r
Boise	35	23	c	35	24	c
Boston	51	40	s	55	49	r
Burlington	44	37	pc	46	41	r
Charlotte	55	46	c	57	55	sh
Chicago	44	32	c	44	34	pc
Cleveland	48	41	pc	47	45	c
Dallas	78	62	pc	72	64	c
Denver	53	24	pc	50	25	c
Detroit	44	36	pc	46	37	c
Honolulu	83	71	pc	83	73	c
Houston	81	68	pc	81	68	pc
Indianapolis	44	39	c	47	42	c
Kansas City	53	28	c	38	30	pc
Las Vegas	62	42	pc	56	42	pc
Little Rock	62	59	t	72	62	t
Los Angeles	64	48	c	60	45	c
Miami	81	68	pc	84	69	pc
Milwaukee	44	28	sh	39	33	c
Minneapolis	28	10	pc	26	14	pc
Nashville	54	51	r	65	61	sh
New Orleans	75	67	t	81	66	pc
New York City	48	43	s	55	52	r
Oklahoma City	68	41	pc	54	40	pc
Omaha	41	19	c	39	20	pc
Orlando	79	62	pc	80	63	pc
Philadelphia	52	38	s	55	53	r
Phoenix	69	54	pc	64	49	sh
Pittsburgh	50	41	s	48	46	sh
Portland, Maine	46	34	pc	48	45	r
Portland, Ore.	44	36	c	46	39	c
Sacramento	58	41	pc	54	36	c
St. Louis	55	41	c	50	41	sh
Salt Lake City	41	27	sn	41	24	c
San Francisco	58	45	sh	55	43	c
Santa Fe	55	35	pc	50	34	pc
Seattle	40	35	c	42	38	r
Sioux Falls	32	13	c	38	12	c
Wash., D.C.	52	41	s	54	50	r

International

City	Today Hi	Today Lo	Today W	Tomorrow Hi	Tomorrow Lo	Tomorrow W
Amsterdam	44	36	c	45	36	pc
Athens	62	49	pc	61	53	c
Baghdad	71	45	s	68	47	pc
Bangkok	91	76	t	89	76	pc
Beijing	37	17	s	42	19	pc
Berlin	38	35	c	38	35	sf
Brussels	39	37	sn	43	34	pc
Buenos Aires	87	72	s	90	74	s
Dubai	85	72	s	89	69	s
Dublin	46	39	sh	44	31	c
Edinburgh	44	32	sh	41	29	sh
Frankfurt	40	36	sf	41	33	sf
Geneva	45	30	sf	43	32	s
Havana	84	59	pc	83	61	s
Hong Kong	68	55	pc	67	61	pc
Istanbul	57	50	pc	57	46	pc
Jakarta	89	76	t	89	76	sh
Jerusalem	63	50	s	61	49	pc
Johannesburg	78	56	t	77	56	t
London	47	38	c	44	33	c
Madrid	50	46	r	54	45	sh
Manila	87	77	r	91	77	s
Melbourne	68	54	pc	70	51	pc
Mexico City	73	53	s	71	53	s
Milan	51	33	c	48	33	pc
Moscow	16	9	c	19	11	c
Mumbai	93	76	s	93	76	s
Paris	39	35	c	42	33	c
Rio de Janeiro	82	74	t	79	72	sh
Riyadh	86	64	pc	85	59	s
Rome	65	51	sh	64	48	pc
San Juan	85	75	pc	84	75	s
Seoul	36	22	s	41	26	pc
Shanghai	53	38	r	55	42	c
Singapore	88	76	r	87	76	sh
Sydney	82	65	t	72	60	pc
Taipei City	67	62	r	66	63	c
Tokyo	50	42	r	51	44	r
Toronto	43	36	pc	42	39	c
Vancouver	38	31	c	38	34	c
Warsaw	36	33	c	39	33	sf
Zurich	42	32	sf	40	34	pc

The WSJ Daily Crossword | Edited by Mike Shenk



BUNKER MENTALITY | By Jeff Stillman

Across

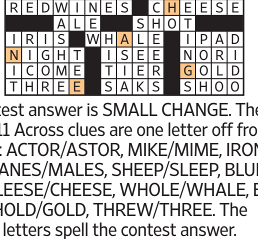
1 Ingrid's "Casablanca" role
5 Rolls of bills
9 Performs some simple math
13 DoorDash deliveries
15 Looking down from
16 The Bee Gees, for one
17 Michael of Monty Python
18 Loafed
20 Shortly
22 Making moos
23 Isthmus, essentially
25 Olympics chant
28 Today, in Tijuana
29 "How was ___ know?"
30 Dangerous African flies
32 Put on ___ (fake it)
34 Cry
35 Gave up one's confederates
40 Polite fellow
41 Forest fledgling
42 Gifted girl in a Roald Dahl book
46 Atmosphere makeup
47 Sheep sound
50 Bullfight cheer
51 Investment option
54 One of the B vitamins
56 In the vicinity of
57 Golf hazards, or what the letters between the circles have fallen into
60 Strictness
61 Egg outline
62 Popular cookie
63 "A Fish Called Wanda" Oscar winner Kevin
64 Acid's counterpart
65 Part of a Wall St. address
66 Pronounces

Down

1 Mischievous
2 Crude shelter
3 Job offer number
4 Suspect's story
5 Took place
6 In the least
7 Perform perfectly
8 Gives birth to
9 Lots and lots
10 One with a bad habit
11 Cacophony
12 Lawn material
14 Engaging in petty criticism
19 Fair feature
21 Wreck beyond repair
24 Centers of attention
26 Snack for a sparrow
27 Egyptian serpent
31 Insignificant person
32 Opposed to
33 Ruling in the ring, for short
35 Walrus relative
36 Cell tower equipment
37 McGregor of "Obi-Wan Kenobi"
38 Set straight
39 Completely bonkers
40 Non-___ (label on some organic foods)
43 Future atty.'s exam
44 Synthetic polyester
45 Zoo building with wings?
47 Infamous Italian family name
48 Cleopatra's love
49 Loves
52 How most contracts are signed
53 Leaves suddenly
55 Eric of Monty Python
57 Cry
58 Director DuVernay
59 Tofu source

▶ Solve this puzzle online and discuss it at **WSJ.com/Puzzles.**

Previous Puzzle's Solution



The contest answer is SMALL CHANGE. The final word in 11 Across clues are one letter off from their answers: ACTOR/ASTOR, MIKE/MIME, IRON/IRAN, MANES/MALES, SHEEP/SLEEP, BLUE/CLUE, CLEESE/CHEESE, WHOLE/WHALE, EIGHT/NIGHT, HOLD/GOLD, THREW/THREE. The changed letters spell the contest answer.

FROM PAGE ONE

Covid Aid Helped Hospitals

Continued from Page One
panded campuses.

Hundreds of other hospitals that got federal funding, however, reported losses. Some were forced to lay off nurses and make other cuts, saying they didn't get enough aid to overcome their strains. Some served areas that had among the highest Covid death rates.

The revenue-based award system, especially prevalent in the early days of the pandemic, tended to favor hospitals with higher prices.

As the pandemic continued, the government targeted hospitals with higher numbers of Covid patients and those serving needy populations for aid, but the awards still missed some struggling hospitals.

Matthew Forrest caring for an intensive-care patient at Arnot Ogden Medical Center in Elmira, N.Y., which was hit hard by Covid.

LAUREN PETRACCA FOR THE WALL STREET JOURNAL

Overall, the amount of federal cash hospitals received had very little to do with the levels of severe Covid in the areas around them, according to the analysis.

"It's a bit like your low-lying house is about to be flooded, and the National Guard shows up and drops off some sandbags for you, but also brings a bunch to the homes on higher ground that are not particularly at risk," said William Schpero, a health economist and assistant professor at Weill Cornell Medicine.

The Department of Health and Human Services, which administered the aid program, said it was designed under the Trump administration and changed after President Biden took office to target providers most in need. The Biden administration has handled about 10% of the relief funds, it said.

Federal officials early in the program acknowledged criticism of aid payouts tied to hospital revenue but said they used the formula in order to move quickly.

Severely ill patients

The pandemic aid program, called the Provider Relief Fund, was meant to help hospitals as Covid sent many severely ill patients to the facilities while also forcing the cancellation of the knee replacement and other nonurgent surgeries that typically provided revenue.

Congress said the relief funds should help hospitals pay for "healthcare-related expenses or lost revenues" stemming from the virus. The aid program required hospitals to return any funding not needed for those categories.

Overall, 1,257 hospitals that got federal pandemic aid were profitable when they got the funding, according to the Journal's analysis of financial-disclosure reports. These hospitals, which got a total of $16.7 billion in aid, reported $53.6 billion in profits from patient care, not including the aid, for the years during the pandemic that they have documented in filings with the government.

For 783 hospitals, $10 billion in aid helped swing their losses to profits.

But 1,644 hospitals, which received $35 billion in federal pandemic aid, reported a loss of $129.1 billion during the period, not counting the added funds.

Congress in total allocated more than $175 billion in aid to a range of healthcare providers, including hospitals, doctors, dentists, clinics, nursing homes and other facilities, much of it doled out between April 2020 and September 2021. HHS said it issued nearly $75 billion in roughly the first three months of the program, with a deadline to spend the funds by June 30, 2021.

The Journal reviewed financial-disclosure reports filed to Medicare by 3,684 for-profit, nonprofit and government-owned hospitals that claimed federal pandemic relief they spent by that deadline and in some cases beyond. Psychiatric and long-term care hospitals, some of which also received aid, were excluded from the analysis. Reports for some later awards of federal aid haven't yet been filed.

To assess the levels of severe Covid around hospitals, the Journal analyzed data on coronavirus deaths that Johns Hopkins University collected by county, and data from the Dartmouth Atlas of Health Care and the Missouri Census Data Center to identify which of those deaths were in the communities served by a hospital.

The Journal also analyzed data from Turquoise Health Co., which has collected the prices hospitals must report charging.

HHS handed out the first and largest chunk of aid, some $50 billion, based on how much money hospitals had reported in revenue prior to the pandemic. Revenue provided a rough indication of how busy a hospital was and what their expenses were. It was also a hard data point that HHS could quickly and easily use to determine the amount of aid, said Jim Parker, a senior adviser to then-HHS Secretary Alex Azar who worked on the program.

"We had to accept very early on that our first foray into distributing funds was going to be imperfect," Mr. Parker said.

Officials at the American Hospital Association, a trade group that lobbied federal agencies on how to award funds, said hospitals urgently needed the aid when Covid hit and that it was difficult to know where the funds needed to go. Congress didn't limit the aid to distressed hospitals.

Among the hospital owners getting relief was the nonprofit Inova Health System, which runs a network of five hospitals, as well as doctor's practices and urgent-care centers, in affluent northern Virginia communities.

Before the pandemic hit, Inova was prospering. It enjoyed an AA+ credit rating, had a strong 600 days of cash reserves and regularly reported a profit. Inova also planned to build a new cancer center and research hub, striking a deal in 2015 to lease and potentially buy 117 acres near its flagship hospital in Fairfax, Va., for the campus.

In 2020 and 2021, Inova reported a $255.5 million profit from patient care from its hospitals.

In those two years, Inova's hospitals took in $186.1 million of federal pandemic aid. Inova Fair Oaks Hospital in Fairfax got $243,649 per bed, ranking among the top 17% nationally for aid. At the same time, the hospital ranked in the bottom 13% for Covid deaths in its service area.

Inova said the funding helped Inova Fair Oaks, which a spokeswoman said lost revenue 18 out of the 24 months due to delayed and canceled care and surgeries.

The system also spent $40 million on supplies and reconfiguring hospitals to safely treat expected Covid patients, and later used federal money to treat patients outside the hospital, support staff and administer vaccinations, the spokeswoman said.

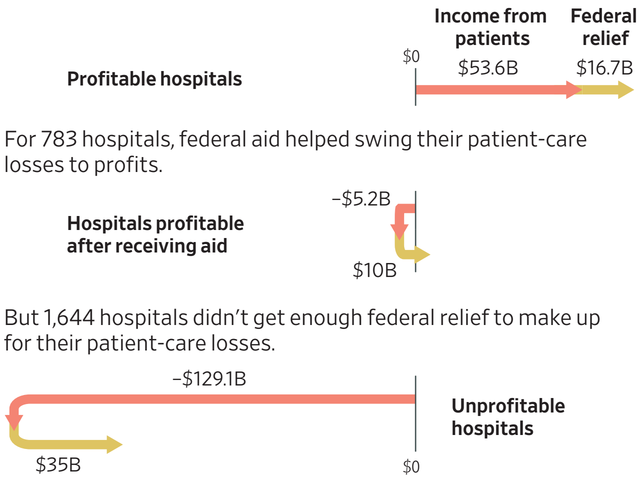
"Inova appropriately leveraged Provider Relief Funds in a thorough and transparent manner, consistent with federal intent to support expenses and lost revenues associated with the pandemic response," she said.

Total income from patients and federal relief

Financial need wasn't a main factor in the distribution of federal pandemic-relief aid. For 1,257 hospitals, billions in aid came on top of billions in profits from patient care.

For 783 hospitals, federal aid helped swing their patient-care losses to profits.

But 1,644 hospitals didn't get enough federal relief to make up for their patient-care losses.



Note: Includes for-profit, nonprofit and government-owned hospitals that reported receiving aid from the Provider Relief Fund. Psychiatric and long-term care hospitals were excluded from the analysis.
Source: WSJ analysis of Medicare Cost Reports

About two weeks after it got the first installment of aid, in April 2020, Inova's Chief Executive J. Stephen Jones told employees the system was losing hundreds of millions of dollars in revenue because of a sharp drop in medical services.

Dr. Jones said Inova needed to cut more than 400 jobs. The decision would shrink its ranks of employees who don't work with patients, Inova said. Cuts totaled about 2% of its workforce.

Despite the aid, "we were still in the midst of tremendous uncertainty as to the length, severity, and breadth of impact we could expect from the pandemic, and were required to make difficult decisions to ensure we were in the best position to continue to meet the healthcare needs of our communities during the crisis response," the spokeswoman said.

The job cuts included physical, occupational and speech therapists and social workers in a unit rehabilitating patients immobilized by strokes, brain injuries and other conditions at Inova Mount Vernon Hospital in Alexandria, Va., said Lauren Schwabish, a speech pathologist there who wasn't included in the cuts but left the hospital after 16 years in August 2021 out of frustration. "It was really a devastation," she said.

The federal aid contributed to Inova netting nearly $1 billion in cash from operations during the period, the system's financial statements show.

It put roughly $256 million into stocks and other investments in 2020 and 2021.

It paid $183.1 million in 2020 for the 117-acre Fairfax property for its new campus. The next year, it spent $32.9 million on its Center for Personalized Health. Plans call for more development, including commercial and medical projects.

An Inova official said the system used pandemic relief funds, operating profits and debt for its capital and expansion projects, and used debt to put cash into its investment portfolio.

In the rural part of upstate New York served by Arnot Ogden Medical Center, the Covid death rate was more than twice the rate in Inova's service area. But Arnot Ogden, in Elmira, N.Y., received less than half the amount of federal aid per bed than Inova's Fair Oaks Hospital.

After years of losing money on the medical center, its owner, the nonprofit Arnot Health, was on track to earn more than it spent when the pandemic hit, Chief Executive Jonathan Lawrence said. Then the hospital had to cancel elective procedures for more than seven weeks, and regular and emergency visits to its facilities plummeted.

> **The award system tended to favor hospitals with higher prices.**

Arnot Health would have been "out of business" had HHS not begun doling out aid, Mr. Lawrence said. The $18.5 million in relief money Arnot Ogden got in 2020 and 2021—roughly $91,000 per bed—wasn't enough to stanch its losses, he said.

Starting in April 2020, Arnot Health laid off 400 workers, including nurses.

Laura Smith said Arnot Ogden staff weren't able to answer her calls or give her information on her brother during the hours before his death on Oct. 31, 2020. That morning, Ms. Smith said she called for an update but was told no one could talk to her because the nurses were busy. She said the hospital never officially notified her that her brother had died.

"We could not always update the families daily because we were too busy," said Asad Nasir, a pulmonologist who led much of the hospital's Covid response. Mr. Lawrence said the hospital made extraordinary efforts to connect patients with loved ones when it couldn't allow visitors.

Due to the hospital's pandemic financial woes, Arnot Ogden couldn't upgrade its computer systems and servers as planned. A server outage for five weeks in spring 2022 prevented staff from scheduling some appointments for patients and cost the hospital roughly $5 million in lost revenue, the CEO said.

Arnot Health recorded a loss of more than $3 million on operations in total in 2020 and 2021. Before the pandemic, it had enough cash on hand to cover its costs for two months, Mr. Lawrence said; now, it has half that amount.

Effect of low prices

Part of the reason Arnot Ogden and other unprofitable hospitals didn't get as much federal aid as moneymaking peers was their comparatively low prices, said economists and health-policy experts. "There is no question that price drives revenue," which put low-price hospitals at a disadvantage for relief funds tied to revenue, said Sherry Glied, an economist and dean at New York University's Robert F. Wagner Graduate School of Public Service.

The authors of a study published in the Journal of the American Medical Association in August 2020 also said higher hospital prices contributed to greater revenues.

Arnot Ogden prices are relatively low; it prices many common services for private insurers at 1.2 times what is paid by Medicare, a widely used benchmark, the Journal's analysis of Turquoise data found.

For comparison, hospital prices for private insurers are an average of about 2.2 times what Medicare pays, the Congressional Budget Office said in January.

To treat complex patients with heart failure, Arnot Ogden at most charges about $23,190, about twice Medicare's $10,865 payment for the area.

UCHealth, a nonprofit system that owns 12 hospitals in Colorado, prices common services three times what Medicare pays.

UCHealth's Poudre Valley Hospital in Fort Collins, Colo., charges as much as $34,047 for the heart failure treatment, or 3½ times what Medicare pays in that area, the Journal's analysis of Turquoise data found. The system's Medical Center of the Rockies in Loveland charges a top price for complex heart failure care of $34,630, close to four times the Medicare rates in its region.

The two hospitals had some of the nation's largest relief payouts, while their communities had among the lowest Covid death rates nationwide.

Poudre Valley's relief funds totaled $197,964 for each hospital bed, while the Medical Center's figure was $212,025.

In total, UCHealth hospitals received $253 million in relief funds during two fiscal years of the pandemic. UCHealth reported $840.6 million in profits those years, including $516 million for its hospitals.

The Covid mortality rates in communities served by the pair of hospitals ranked in the nation's bottom 8%.

A UCHealth spokesman said the Journal's analysis was flawed because its measure of pandemic relief by bed doesn't reflect all of UCHealth's outpatient care, which accounts for a significant share of its revenue. He also challenged the use of local Covid death rates to measure pandemic strain on hospitals, saying it wouldn't reflect patient transfers from outlying areas or hospital quality.

Valleywise Health, a safety-net, nonprofit system in Arizona that includes a publicly funded teaching hospital in Phoenix, received $28 million in federal aid through June 2021, according to the documents, and the system said it received further funds for which it hasn't yet filed documentation.

It said, though, that it didn't receive any of the additional federal funding aimed specifically at safety-net hospitals, which treat low-income patients, even though it was struggling.

HHS distributed a total of $60 million to the system, according to an agency spokeswoman.

The system includes the largest psychiatric-health program in Arizona and a network of community clinics to bring medical care to low-income areas. Roughly half of its patients rely on Medicaid, and another 15% are uninsured.

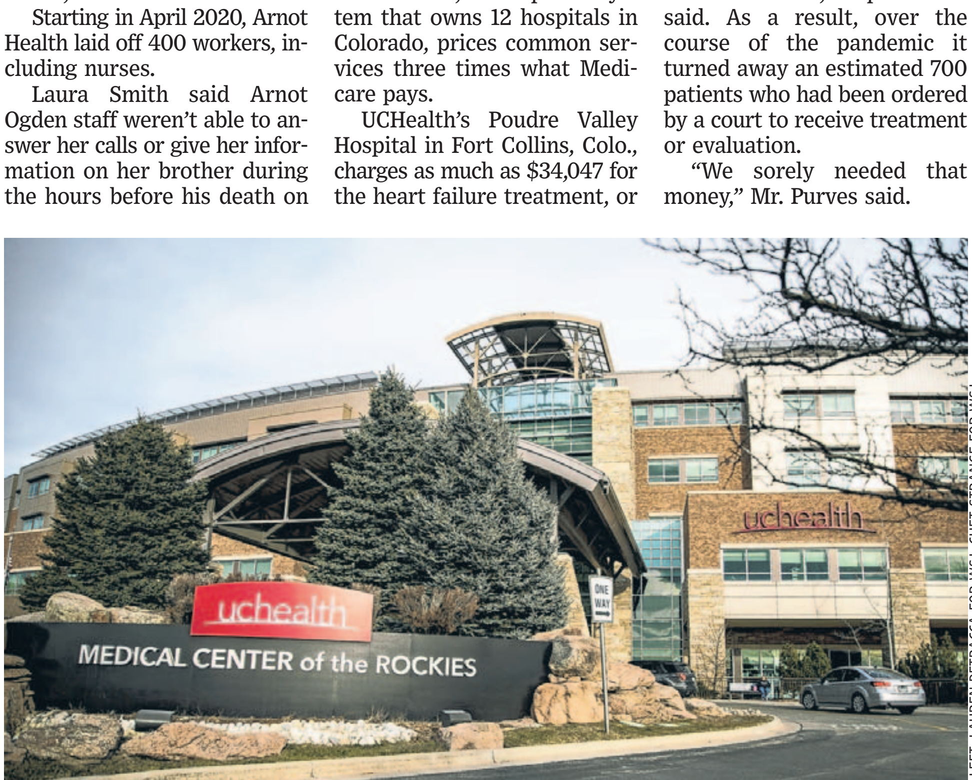
The Covid death rate in the hospital's treatment area was at the 52nd percentile. Valleywise's hospital suspended routine care and converted its pediatric emergency room into a critical care unit for Covid patients.

Valleywise had 130 days of cash reserves before the pandemic struck, and about a quarter of that was wiped out in the pandemic, said Steve Purves, the health system's president. Its hospital recorded a loss of more than $500 million in total in the fiscal years 2020 and 2021, according to the system's financial-disclosure reports.

Mr. Purves said the system was disqualified from receiving extra aid for safety-net hospitals because of $935 million in bonds that voters had greenlighted in 2014 to replace the aging hospital building and that could only be spent on construction. As a result, Valleywise lost out on an extra $50 million in safety-net aid, he said.

Without the extra funding, the hospital had to absorb high Covid expenses and defer major purchases. The system wasn't able to pay enough to fill 87 roles, including psychiatric nurses and social workers, and had to close five of its psychiatric-health units, a spokesman said. As a result, over the course of the pandemic it turned away an estimated 700 patients who had been ordered by a court to receive treatment or evaluation.

"We sorely needed that money," Mr. Purves said.



Dr. Asad Nasir, left, with a patient at Arnot Ogden last week. UCHealth's Medical Center of the Rockies, right, had some of the nation's largest relief payouts.

FROM LEFT: LAUREN PETRACCA FOR WSJ; CHET STRANGE FOR WSJ

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You Earn Less Than a Peer. Now What?

Thanks to new rules surrounding salary transparency, you can harness the conversation to raise your earnings

WORK & LIFE
RACHEL FEINTZEIG

MARIA MEDEM FOR THE WALL STREET JOURNAL

Your co-worker makes *how much*?

Years ago, our salary number was a secret. Now, as open-pay laws ripple across the country, younger workers pipe up on TikTok and employee groups crowdsource salary data, many people are learning how their pay stacks up. Sometimes it feels like a heart attack.

"I nearly fell off the couch," Lisa Dwyer says about the day she scrolled through fellow marketing professionals' self-reported salaries, bonuses and equity awards in an anonymized spreadsheet started by an industry organization she had joined. She stared at the document, stacked with compensation packages far higher than hers, and thought, "OK, my pay is clearly wrong."

What should you do if you learn you make less than your peers, or find that your salary sits at the bottom of the range your company is posting on job listings? Can you use the information to win a raise, without risking your career? And how do you know if you're truly underpaid?

"The more you know, the stronger your negotiating position is," says Kathryn Valentine, the founder of Worthmore Strategies, an Atlanta-based consulting firm focused on boosting women's negotiation skills. To get a sense of how your pay compares, she recommends asking former colleagues, mentors and industry peers what they think *you're* worth.

Mention that you're going into a negotiation and thinking of asking for … here, toss out a number that feels a bit on the high side. Then say, "What do you think?"

"Seventy percent of the time the person will just straight up tell me what they're making," Ms. Valentine says.

Also try recruiters, who can tell you what candidates for similar roles are being offered. When you approach your boss, don't mention that you heard Sally or Jim makes more than you. Instead, outline your past performance—"I hit all my targets last quarter"—and your future vision—"I'm on track for the same strong performance this year." Note that you were surprised to find that the market rate for your role is 25% more than you're currently making.

Next, Ms. Valentine recommends asking, "Can you talk to me about how we can help close that gap?"

"And then stop talking," she adds. Trailing on just weakens your position.

Ms. Dwyer, the marketer, wanted to be sure that her industry spreadsheet reflected reality. She called around to executives she knew, who confirmed that her field, cybersecurity, was indeed paying at elevated levels. When she came up for a promotion, she sent the head of her company the spreadsheet and suggested he take a look before they chatted further about compensation. He came back with a hefty raise, she says.

She attributes her success to being direct, emotionless and armed with data. "It gave me a voice," she says of the spreadsheet.

New laws requiring companies to divulge pay ranges on job advertisements recently went into effect in New York City and Colorado, and are set to roll out in Washington state and California in January. Some bosses are being bombarded with questions about pay ranges and salary adjustments, says Christine Hendrickson, who as vice president of strategic initiatives for pay-equity software provider Syndio helps employers analyze how they pay employees. The conversation has trickled down to jurisdictions not covered by such rules too, she says.

Meanwhile, pay disparities between veteran employees and new hires have grown in organizations that had to shell out for hires in a tight labor market, heightening concerns about fairness.

'The more you know, the stronger your negotiating position is,' says one consultant.

"If companies won't talk, then we will," says Hannah Williams, a former data analyst whose TikTok video detailing her salary history went viral in February. In April, the 25-year-old launched Salary Transparent Street, where she conducts vox-populi interviews asking people what they do and how much they earn.

The initial videos attracted so many views that Ms. Williams and her fiancé, who live in Alexandria, Va., quit their day jobs to work on the project full time. (She says that it's hard to calculate her current pay, but that the pair signed a nearly half-million-dollar contract with job board Indeed in September to produce branded content.)

Ms. Williams acknowledges her question is still taboo for many. Some people she approaches—especially older ones, she says—are confused or taken aback.

"They're, like, what do you want, my Social Security number next?" she says.

Legally, most workers have the right to talk about salary, thanks to protections from various federal and state rules, says Ms. Hendrickson, a lawyer. That doesn't mean people who disclose their pay won't face backlash from resentful colleagues or offended bosses.

Workers who openly point to a colleague who makes more risk being labeled difficult, says David Buckmaster, who oversees compensation and benefits at mobile-game developer Wildlife Studios and wrote a book about corporate compensation.

Mr. Buckmaster recommends raising the issue if the pay difference is substantial—at least 15%—or if multiple members of your team are outearning you, leaving you the clear outlier. Try to distill your case to one captivating sentence your manager can sell to higher-level bosses.

Sometimes, you'll find your value elsewhere. When a new colleague with little experience blurted out his pay to Amanda Borchert, the clinical research coordinator was upset to realize she made $7.50 less an hour. But Ms. Borchert, of Rapid City, S.D., feared that talking about others' pay could backfire.

She started looking for other jobs. Within a few months, she had accepted a new position that paid her three times as much.

She's so happy with her work and her pay now that she says she has no desire to talk about it.

PERSONAL FINANCE

Four Ways to Save On Home Insurance

BY VERONICA DAGHER

Homeowners had to shell out more money for mortgage payments, routine maintenance and heating costs this year as quickening inflation and rising interest rates strained monthly budgets. One more bigger bill to add to that list: home insurance.

Home insurance premium rates rose 9.3% from Jan. 1, 2021, through Nov. 25 on average nationwide, according to S&P Global Market Intelligence data. The Insurance Information Institute, an industry trade group, also known as Triple-I, says premiums are likely to rise further in 2023.

A standard policy typically covers the cost of replacement of the home and some of its contents in the event of damage or theft. Premiums are up in part due to inflation, supply-chain issues and labor shortages, which drove up the cost of home repairs and replacement, said Loretta Worters, a vice president at Triple-I. Damage from tornadoes, hurricanes, severe storms, wildfires, and other natural disasters are also boosting premiums over the long haul, she says. Companies pass along on the cost of these higher prices and risks to consumers.

The average home-insurance premium cost $1,784 a year, according to a recent analysis by NerdWallet Inc., though rates vary widely across the country. The most expensive states for homeowners insurance are Nebraska, where people pay $4,004 a year on average, Oklahoma ($3,830) and Kansas ($3,347), according to NerdWallet. The cheapest states are Hawaii ($458), Delaware ($796) and New Hampshire ($816).

Costs can often be reduced by careful comparison shopping and modifying coverage. Here are four options to consider:

Raise your deductible

One way to cut your annual premium is to increase your deductible, the amount paid out of pocket for repairs before insurance coverage kicks in, says Ms. Worters at Triple-I. The typical minimum deductible is $500 or $1,000.

How much you can save after raising the deductible depends in part on where you live and what your state insurance department allows, she says.

If you live in a disaster-prone area, your insurance policy might have a separate deductible for damage from major disasters. If this is the case, make sure you have enough money saved to absorb the cost of both deductibles, says Ms. Worters.

Eliminate some coverage

Raising your home-insurance deductible might not be practical advice for coastal-area residents, since so many policies already contain special wind, hurricane, or named-storm deductibles.

"Homeowners in coastal and wildfire prone areas are getting squeezed very hard right now on home insurance costs and coverage," says Amy Bach, executive director at United Policyholders, a national nonprofit insurance consumer-advocacy group.

One strategy she recommends is reducing or eliminating the "other structures" bucket of coverage if you don't have a free-standing garage, shed, retaining wall, pool or other items that would fall under that category. Call your insurer and ask if it will reduce or eliminate that coverage, she says.

Consumers could shave 1% to 10% off their premium with this move depending on their insurer and if they will let you cut out that category, says Ms. Bach.

BRYON HOULGRAVE/ASSOCIATED PRESS

Damage from severe storms and wildfires has helped push up insurance premiums.

Ask for hidden discounts

Find out when your insurance is scheduled to renew and make some calls before that date. Switching policies every year might sound painful, but it can save you money.

For instance, Farmers Insurance offers a 1% to 5% discount to homeowners who get a quote and switch to Farmers at least seven days before their old policy expires. At Allstate, you can save up to 10% on your homeowner's premium when you switch from another insurer.

There are other discounts as well. Owners might be eligible for discounts if they make upgrades such as installing hurricane shutters, says Karen Collins, assistant vice president for the American Property Insurance Association.

There also can be discounts for installing water-use sensors that can turn off your water in case of a leak, says Tim Henry, head of property product for Farmers Insurance. With USAA, owners can get up to 5% off their homeowners insurance when they have a monitored fire alarm or monitored home security system.

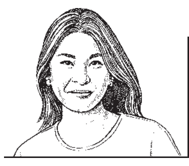
If you're over 55 you can often get discounts on your homeowners insurance, says Ms. Worters at Triple-I. The reason being people are usually home more often so it deters burglars, and residents might be there should a fire start, she says.

Bundle policies

Bundling auto and home insurance coverage can help you tighten your budget.

Robert Kinsey's home-insurance premium for his roughly 4,000-square-foot colonial home in Great Falls, Va., recently rose about 20% to $5,486 a year. When the retiree shopped around for a better rate, he was told by several insurers that due to rising home replacement costs, he should expect to pay more. He eventually decided to bundle his home and auto insurance, raise his deductible and drop his jewelry coverage. He is now paying about $3,482 a year.

"Resist the urge to put renewal on autopilot—proactively contact your insurer to determine if you've implemented any changes that would warrant a lower premium," says Emily Irwin, senior director of advice at Wells Fargo.



PERSONAL TECHNOLOGY
NICOLE NGUYEN

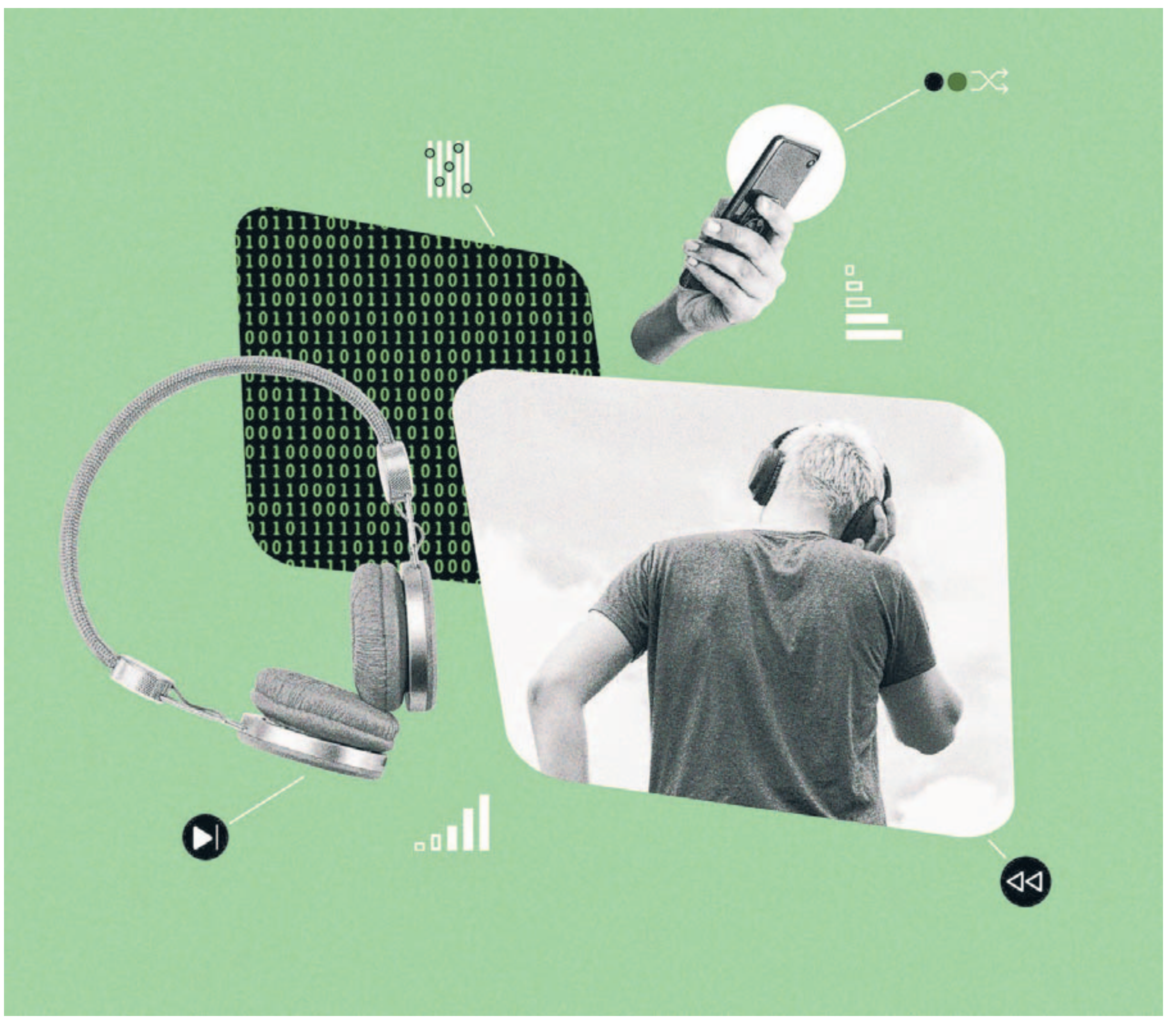


PHOTO ILLUSTRATION BY SAM KELLY/THE WALL STREET JOURNAL, ISTOCK (5)

Spotify Wrapped Reveals A Lot About Who You Are

I DON'T LOVE THE IDEA that my data is collected by websites, apps and devices. Hackers could steal it. Advertisers could use it to get me to buy more stuff. Plus, it's also kind of creepy that I'm tracked everywhere I go.

There are times when I *want* my data collected, though. Or at least, there are times I don't mind because I get something of value in return. I'm reminded of that every year when Spotify sends me my Wrapped results.

Spotify Wrapped, for those who don't partake in social media, is a year-end analysis of users' unique streaming habits released annually since 2015 and the inspiration of many a meme.

In the latest Wrapped, which rolled out Nov. 30, Spotify told me I spent 12,035 minutes streaming this year—just over 200 hours—and I was in the top 1% of listeners of a certain band I'm too shy to name. (It rhymes with GPS.)

I also learned that my musical mood shifts from "Intense Uplifting Soothing" in the morning to "Acceptance Escapism Cathartic" later on.

Certainly, the made-for-social-media feature is a promotional tool for a company locked in competition with Apple and Amazon. It's also about user retention, says Ziad Sultan, who leads personalization at Spotify. The service "is about understanding our users so we can reflect their taste back to them," he adds.

To share or not share?

Each Wrapped tidbit provides insight into ourselves and our musical year. For the first time, Spotify is assigning users one of 16 different listening personalities. Mine is "The Early Adopter," someone who is "always seeking the next hot thing." Seems right, since that's my job, too.

Spotify users can find their own Wrapped details in the app. If you're ashamed of your results this year, try using the app's private listening function. This hides your guilty pleasures from Spotify's personalization engine, so your profile might be more publicly shareable next year.

Year-end wrap-ups are no longer unique to Spotify: Apple Music users get something called Replay; YouTube Music's is called Recap. And Strava, an app that tracks your physical exercise, offers its athletes Your Year in Sport, though the 2022 version isn't out yet.

These snapshots remind us just how detailed and personal data collection can be. It can be unsettling when companies are unclear about how much data they collect, or how they use the data. It feels like a violation when it's leaked, or shared without our permission. I appreciate that Spotify shows users what it can do with data it collects about us. I wish more services did the same.

The D word

Data collection has a bad reputation. The Facebook-Cambridge Analytica scandal a few years back—when the social network allowed the political-data firm to improperly access users' data—showed how mass collection and leaky developer access could result in the exposure of tens of millions of peoples' data. Plenty of other apps capture sensitive location data and hand it to the ad-tech industry and the government.

Spotify collects more data than is revealed in the Wrapped roundups. For instance, Spotify also collects your general location through your IP address, which according to its privacy policy, the company can use for personalized recommendations and advertising. Even how many times you listen to Harry Styles can be used in other unseen ways, especially if you're on a free account, where Spotify serves you ads. (Users can opt out of tailored ads in the app's account settings.)

Other services show us some insights they glean from our data. Your Facebook ad preferences page is what the company thinks you like based on your activity and can read like the world's weirdest mix of interests. For me, that includes "hair follicle," "Denver" and "Asian Pasta."

Google uses our phones' whereabouts to report traffic information and real-time data on whether a restaurant is busy. It gets more detailed than that: If you have location history turned on, Google Timeline can tell you where you went on any given day. If you use Google Photos, it will show you images taken in those locations, too. Startling? Useful? Both.

16
The number of listening personalities that Spotify uses to label its millions of subscribers, based on their music selections

More insights, please

Spotify telling me I listened to Phoebe Bridgers's "Garden Song" 33 times is one thing. All the data-driven services I use giving me reports about my comings and goings are another. But doing so—despite it likely being a heavy number-crunching exercise—could open up the conversation about data collection and give us more reason to choose the services we do.

For starters, I'd like for Instagram to tell me who I stalked or interacted with the most this year, or for Alexa to recount my most-requested asks. I wish Peloton could reveal which day of the week I'm laziest. I would love for Google Docs to produce a list of my most overused words in 2022, or for Netflix to show me the kinds of thumbnails I'm most likely to tap on. My smart air purifier could probably calculate how often I burned toast. Twitter, please tell me how many hours or days I've spent procrastinating on your app.

Spotify Wrapped reveals the kinds of deeply personal inferences that companies and their algorithms can make from our data. It's fun, but it also gives us a chance to think about what data we shed as we use the internet, and what companies are doing with it.

Live It Up This Holiday Season Without Losing (Too Much) Sleep

By Alex Janin

LATE-NIGHT holiday parties, indulgent foods and traveling to see friends and family are part of what make the holiday season festive. They can also mess up our sleep—but there are strategies that can help.

"Sleep schedules just get off track because people are staying up later to have parties or getting up early to put out the presents for Santa," says Shelby Harris, a clinical psychologist specializing in behavioral sleep medicine in New York City. Both the amount of time we sleep and the quality of rest are disturbed, says Dr. Harris.

There are ways to navigate these sleep obstacles and celebrate the holidays. Strategies like making sure you're not eating or drinking too close to bedtime and knowing when to wake up the next day can help. Here's what sleep experts recommend for striking the right balance.

BETSIE VAN DER MEER/GETTY IMAGES

Try these sleep tips to counterbalance holiday excesses.

Three hours to digest

Many holiday treats contain more sugar and fat than we typically consume, making it harder for our bodies to digest. People who eat more sugar have reported poorer-quality sleep, according to a study published in 2019 in the American Journal of Lifestyle Medicine and other research.

A three-hour window gives the body time to break down its most recent meal, helping you fall asleep and stay asleep, says Leslie Swanson, a clinical psychologist focused on behavioral sleep medicine. "When digestion competes with sleep, digestion wins just about every time," she says.

Do the same with alcohol. It takes approximately one to two hours for the body to metabolize one alcoholic drink, says Dr. Swanson.

Alcohol can make it easier to fall asleep but often disrupts your sleep in the middle of the night. "When our body processes alcohol, it increases deep sleep in the first half but in the second half you are getting less dream sleep because your body is processing," says Dr. Harris.

Drinking plenty of water during the day can help ward off the dehydrating effects of alcohol consumption. And watch out for hidden caffeine in holiday treats like chocolate.

Consistent schedule

It's tempting to sleep in after a late night out. But for some people, trying to "catch up" by waking up later than usual can lead to more sleep problems.

Consistent sleep times and wake times help your body learn when to fall asleep and when to wake up. Waking up later can make it harder to fall asleep the next night at your usual time. This is especially true if you struggle with insomnia or have a sleep disorder. So if you already have trouble sleeping, wake up at your usual time, even if you went to bed later.

However, for people who don't generally struggle to fall asleep, occasionally sleeping in by an extra 60 to 90 minutes is OK, sleep specialists say. You may also benefit from a short power nap, around 20 minutes, about eight or nine hours before bedtime.

For naps, Dr. Harris recommends setting the alarm for 30 minutes to give yourself 10 minutes or so to fall asleep. More than that and the nap may cause grogginess associated with waking from rapid eye movement, or REM, sleep.

A buffer zone

Your body and brain need time to wind down after socializing. A good rule of thumb is to create a one-hour buffer between socializing and bedtime to read, meditate or watch a comforting TV show, says Dr. Swanson.

This time can also help you relax if a holiday event has been stressful, which can often happen during gatherings of family and friends and can contribute to sleep disruptions.

Stay chill

Even if you miss out on a couple of good nights of sleep over the holidays, don't punish yourself. Stressing out about your sleep can disrupt your sleep, too. Everyone feels tired sometimes.

ARTS IN REVIEW

ART REVIEW

Artists of the Blitz

A presentation of the work of Bill Brandt and Henry Moore, including haunting drawings of wartime Londoners sheltering underground

By Richard B. Woodward

New Haven

'Bill Brandt | Henry Moore" at the Yale Center for British Art reunites two artistic giants whose careers loosely intertwined for four decades. From World War II, when their pictures of a beleaguered London during the Blitz became symbols of national grit, until their deaths in the 1980s, by which time they were respectively Britain's most internationally acclaimed photographer and sculptor, neither was neglected by the public.

In this succinct exhibition of some 150 works, organized by deputy director and chief curator Martina Droth in partnership with the Hepworth Wakefield, U.K., Brandt (1904-1983) and Moore (1898-1986) are presented as more connected than perhaps even they realized. Along with enduring anxious nights underground during aerial warfare, each is shown in his own way to have drawn on more transcendent themes, namely the chthonic mysteries of the English landscape and the polymorphous eroticism of the nude human body.

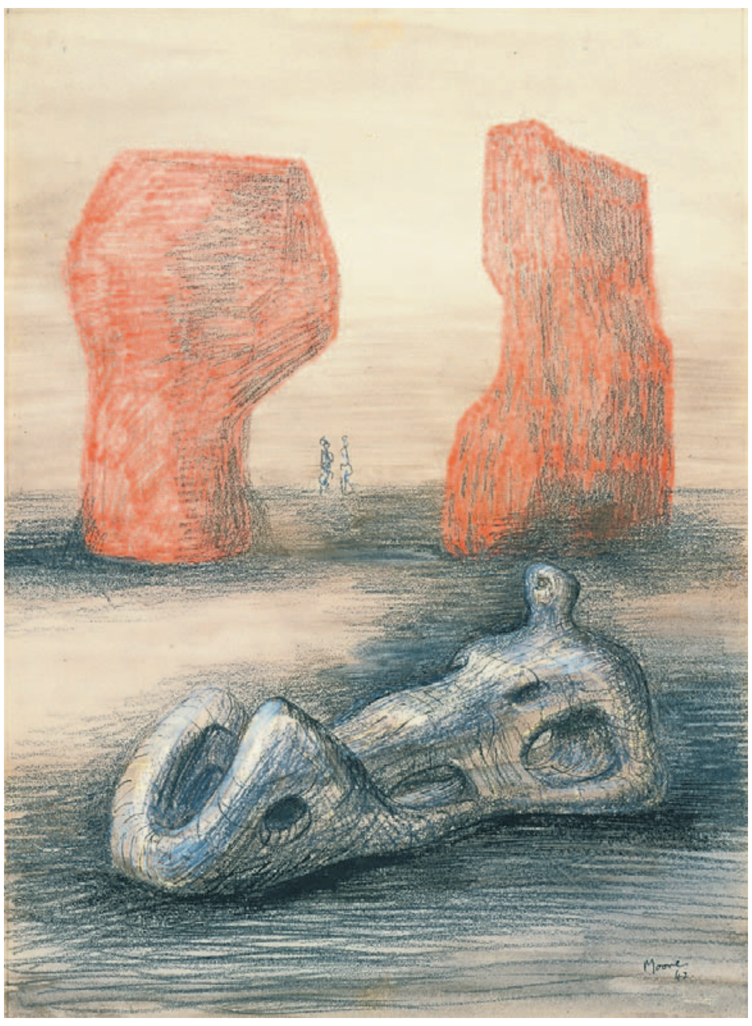
In her essay for the first-rate catalog (co-edited with Paul Messier), Ms. Droth writes with unnecessary chagrin that her two subjects have "suffered from a saturation of familiarity."

The less-notable Brandt has top billing. Photographs and photographic reproductions predominate, with an emphasis on the publication in magazines and books of Brandt's images—ones by him from various assignments, including his of Moore's work and of Moore himself—during their lifetimes.

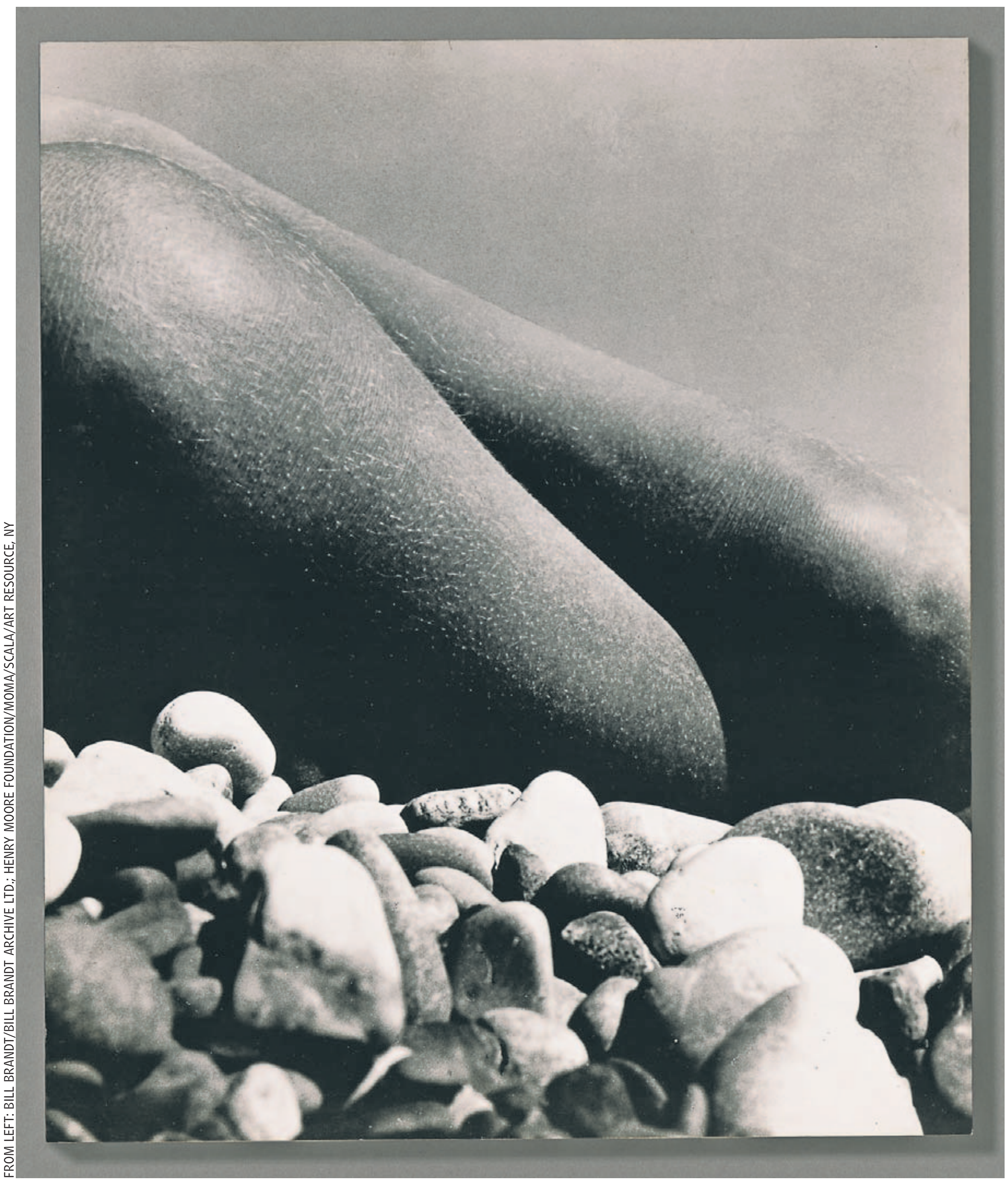
Moore is represented by drawings, lithographs, photographs, photocollages, a textile, and 11 desktop sculptures. There are no examples of his monumental bronzes.

On a wall at the entrance is a large grid of Brandt photographs from 1960 of a Moore sculpture, "Two-Piece Reclining Figure No. 1" (1959). Brandt photographed the plaster model on a turntable from more than a dozen angles. As the results seem not to have pleased him—he never printed the negatives—it's not clear why they are blown up and given such prominence here.

The first room, with material from the Blitz, is more satisfying. Moore's justly renowned drawings from 1940-42 of people in the Underground were made from memory. He never sketched in the shelters for fear of intruding. Only after returning to the streets would he make "word pictures" and then later a drawing, often touched up with watercolor.



FROM LEFT: BILL BRANDT/BILL BRANDT ARCHIVE LTD.; HENRY MOORE FOUNDATION/MOMA/SCALA/ART RESOURCE, NY



Henry Moore's 'Sculpture and Red Rocks' (1942), above, and Bill Brandt's 'Baie des Anges' (1959), left, part of the Yale Center for British Art show

Deliberately anonymous in expression and dress, his figures are stoic, not cheerful, existing in a kind of haunted purgatory that recalls Roman funeral portraits. "Four Grey Sleepers" (1941) is a reassuring image of calm, while "Group of Shelterers" (1940) with its Londoners packed stiffly like cordwood, is rather scary.

As a photojournalist, Brandt could not be so diplomatic. His sensitivity to the indignity of the situation is nonetheless evident. One wall here blows up a high-contrast black-and-white print from his 1966 book "Shadow of Light" so that the tumbled bodies of children, women and men asleep on a Tube platform appear to float on clouds of grime.

These portraits are cleverly linked to drawings and photographs each artist made in Yorkshire coal mines during the 1930s and '40s. Moore was the son of a pit deputy, and his later explorations of the body as a topological puzzle made up of infolding solids and voids may have begun with experiencing the landscape as an intestinal space of sunken shafts and snaking tunnels.

His interest in photography was longstanding. He owned more than a dozen cameras. Some 200,000 photos were made of him and his work. His celebrated 1973 lithographs of Stonehenge, a site he visited many times, beginning in 1921, combine drawing with photographic scrutiny. Bringing the viewer close against the massive slabs, he focuses on the gaps between them as well as on the points where they gently touch.

Brandt at times treated the monoliths at Stonehenge and Avebury as objects more abstract than physical. In a 1947 photograph the colossi on Salisbury Plain are dark sentinels, with snow in the foreground and a gray sky smeared by sun and clouds—a tonal range akin to the paintings of Franz Kline.

The German-born Brandt, an assistant to Man Ray in Paris before settling in England in 1931, released his inner Surrealist in his nudes. Begun in the 1950s and collected in a 1961 book, these outlandish close-up distortions of female flesh were done with an antiquated view camera and a wide-angle lens.

Outdoors, he liked to set his models on England's rocky shoreline, where an ear in a woman's head is like a shell on the pebbly beach, and toes on a left foot could be tendrils of kelp. These playful deformations share a room with a vitrine of Moore's reclining sculptures from the 1960s to 1980s, a logical but unfair pairing as they look humorless by comparison.

It can't be easy in academia today to mount an exhibition of two canonical postwar male artists. "Bill Brandt | Henry Moore" argues gamely for their continued vitality by highlighting work they made before it and they became institutionalized. If you can't visit this savvy but incomplete show, the catalog is a fine substitute.

Bill Brandt | Henry Moore
Yale Center for British Art, through Feb. 26, 2023

Mr. Woodward is an arts critic in New York.

THEATER REVIEW | CHARLES ISHERWOOD

Good Times Never Seemed So Glum

New York

GIVING A FAIR ASSESSMENT of a jukebox musical is not easy when you find yourself intermittently wanting to pull the plug. "A Beautiful Noise, the Neil Diamond Musical" will appeal primarily to the many admirers of Mr. Diamond's songbook. Growing up in the 1970s, I certainly registered Mr. Diamond's easy-listening pop-rock hits in my consciousness, but I never warmed to them.

"A Beautiful Noise," which moves through more than two dozen of Mr. Diamond's songs as it unfolds his journey from lonesome Brooklyn boy to lonesome worldwide stardom, did little to alter my opinion, although song and story are integrated with unusual care and intelligence here. There are certainly some infectious singalong numbers, notably "Sweet Caroline." And Mr. Diamond had an early knack for jaunty (if derivative) 1960s guitar-driven pop, evinced by the smash "I'm a Believer," which the Monkees made famous. But this smoothly produced show's presentation of his semi-symphonic rock and sentimental balladry failed to convert me. I'm still not a believer.

"A Beautiful Noise" is notable in one regard: Rather than deliver a relentlessly upbeat saga of a star aborning, with struggles overcome on the way to a rainbow of happiness, it is almost doggedly downbeat, truthful to Mr. Diamond's psychological struggles. The curtain rises on the elder Neil (Mark Jacoby, terrific as always even in perpetually glum mode) in a session with his therapist (Linda Powell). She brings out a book of his lyrics, providing a frame for the show.

Unfortunately, this device, with Neil and therapist looking on and offering commentary from armchairs, is almost a guarantor of boredom; generally, listening in on anyone's therapy sessions wouldn't stir excitement. As Mr. Diamond's life and career are dramatized, his truculent observation that "I don't like to talk about myself" becomes understandable. Despite the 40 top-10 hits and 130 million albums sold, Mr. Diamond's history, as related by the book writer, Anthony McCarten, does not grip us.

It begins with the young Neil (Will Swenson) accosting the doyenne of the Brill building, Ellie Greenwich (the nicely dry Bri Sudia), who recognizes his talent. After some success, Neil signs a contract with a mafioso-owned label, Bang Records. In the background flows a blurry subplot about the collapse of his first marriage, to his high school sweetheart, Jaye (Jessie Fisher), when he meets Marcia Murphey (Robyn Hurder) at the Bitter End nightclub. There he first tastes success, having found in Marcia the inspiration for his first big hit, the aforementioned "Sweet Caroline." (A funny bit explaining why the song wasn't called "Sweet Marcia": What rhymes with Marcia?)

JULIETA CERVANTES

Will Swenson and the cast of 'A Beautiful Noise, the Neil Diamond Musical'

For much of the first act Mr. Swenson is required to tamp down his easy stage magnetism. Neil has to be pushed onstage at the Bitter End to perform, and keeps who-me?-ing when told that he is a natural entertainer until—against his initial inclination—he is transformed into a star of mass appeal and flashily vulgar stage getups. (The excellent costumes are by Emilio Sosa.)

Mr. Swenson credibly evokes Mr. Diamond's gravel-scraped baritone, but while his singing is excellent, he cannot quite find a distinctive persona in the character as articulated by Mr. McCarten. As Neil goes through divorces and the self-questioning that any neurotic Jewish boy would undergo upon reaching unfathomable success, the character remains steadfastly stuck in lonely-sad mode. (A flashback to his childhood illustrates its roots: "What kind of boy never has a friend over to play?" his mother laments.)

The director, Michael Mayer, has helmed some of the finest rock musicals, notably "Spring Awakening" and "American Idiot." And, as noted before, "A Beautiful Noise" refreshingly does not conform to the smiley-emoji model of biographical musicals. But while the show moves briskly, dodging the story's gloom-ridden banality proves impossible.

The soaring strings of David Rockwell's set are nicely suggestive of Mr. Diamond's guitar-based music, but the swarm of vintage lighting fixtures that rise and fall frequently are a distraction; thoughts swerve toward interior decoration, and the show's enervating vibe fails to yank us back. By contrast, the innovative choreographer Steven Hoggett's mixture of modern, gestural movements and period dances enlivens the proceedings. The chorus's sudden emergence from behind the couch where Neil sits struggling to compose "Sweet Caroline" is an effectively symbolic highlight, as his paucity of ideas turns into an onslaught of them.

The supporting cast does its best in thinly defined roles. As Jaye, Ms. Fisher is lovelorn but little else, announcing her marriage's end with the ballad "Love on the Rocks." Ms. Hurder's Marcia moves from being Neil's cheerleader and ally in melancholy to a voice on the phone, urging the globe-trotting "soul-shaking-rock-god" she helped create to come home; the dissolution of their union is sung through the duet "You Don't Bring Me Flowers." We only hear about Neil's third wife in therapy.

Ultimately—as is naturally the case with bio-songbook musicals, good, bad and in-between—one's prior affection for or indifference to the music will likely dictate responses to the show. "A Beautiful Noise" merely underscores the truth that, to tweak the cliché, beauty is in the ear of the listener.

A Beautiful Noise, the Neil Diamond Musical
Broadhurst Theatre, 235 W. 44 St., New York, $69.50-$199.50, 212-239-6200

SPORTS

MOHAMED MESSARA/SHUTTERSTOCK

U.S. coach Gregg Berhalter and Christian Pulisic, No. 10, were eliminated from the World Cup after a 3-1 loss to the Netherlands on Saturday.

U.S. Looks Ahead to 2026 Cup

The American squad showed progress—and their shortcomings after advancing to the round of 16

By Joshua Robinson
And Andrew Beaton

Al Rayyan, Qatar

An hour after the U.S. men's national team had been eliminated from the World Cup, a handful of players were still strolling around the field at Khalifa International Stadium. They walked around, barefoot on the grass, soaking in their final moments on soccer's biggest stage before they began the four-year wait for another shot.

U.S. captain Tyler Adams lingered for as long as he could before the grounds crew ushered him off. The Americans had lost 3-1 to a technically superior Netherlands side, but Adams was convinced that his team shouldn't have been the one going home.

"When you look at that game, I'm not going to sit here and say that Holland was better than us. We dominated for a majority of the game," he said. "A lot of teams would say that they wouldn't want to play against us."

Adams, the youngest captain at the World Cup, was selling the rose-colored vision of the future of American soccer. This tournament was long couched as a building block for one of the most youthful teams in Qatar, and in some ways, the Americans exceeded expectations. They drew against England, advanced to the knockout stage and impressed with their ability to dictate the tempo of their games.

But in the cold light of day, the U.S. record here remains just one win in four matches. The team scored only three goals. And now the Americans are left with questions about their talent, coaching and whether they need another reset from their latest rebuild.

Four years is an eternity in international soccer. By the time the U.S. hosts the 2026 tournament, alongside Canada and Mexico, it's likely that half the squad will turn over. The players almost certain to stick around—like Adams, 23, and Christian Pulisic, 24—will be expected to be in the primes of their careers. And when coach Gregg Berhalter was asked whether he thought he would stay in his job, he kept his answer vague.

"I do feel like we've made progress," Berhalter said. "When you look at our team, there's a very clear identity of what we're trying to do."

After the disaster of 2018, when the U.S. embarrassed itself by missing the World Cup entirely, Berhalter remade the squad with goals spread over a long horizon. By leaning on a collection of such young players—most of the team's starters will still be under 30 four years from now—the team could frame its trip to Qatar as a steppingstone.

What emerged on the pitch, though, was a reason to believe that this tournament might have more missed opportunity than launchpad.

With the personnel available to him, Berhalter designed an approach inspired by the Dutch soccer he admires so much, with a 4-3-3 system. But while the American version of it offered plenty of defensive solidity, it didn't yield much going forward.

Netherlands manager, Louis van Gaal, could see all of this. He could tell that the Americans were less comfortable in possession and identified weaknesses on the flanks that his wingers could exploit.

"Team USA didn't adjust. They didn't adapt," Van Gaal said. "We based our technical plan on that and we won."

This wasn't simply the case of tactics failing talent. While the American roster included a bevy of players who are sprinkled across top European leagues, this World Cup also raised doubts over whether there are fatal gaps in the squad.

Plenty was made during the tournament of the squad's inability to finish scoring opportunities—they needed an average of four shots on target for each goal they scored, the third-worst conversion rate of any team that reached the last 16. But the reality was that the Americans didn't create that many chances in the first place. Much of the creative burden was on players like Pulisic and Weston McKennie, who ran repeatedly into blocked-up defenses.

The team's playmakers, like Pulisic, also lacked a reliable target. Berhalter started three different center-forwards over the four games—and the single goal that trio produced was sheer happenstance when a Pulisic pass hit Haji Wright's heel, looped into the air and dropped into the net.

What America fell back on was, in a sense, classic U.S. soccer: making up for a lack of creative abilities with workmanlike effort. Through the group stage, the American players covered 123 kilometers (76.4 miles) per match on average —the most of any team.

"There was some offensive finishing quality that Holland had that we're lacking a little bit," Berhalter said.

Opportunities to measure progress in truly competitive matches now are limited.

Unlike teams from Europe or South America, whose regional tournaments easily match the level of the World Cup, the U.S. has only the Gold Cup to look forward to in 2023, and that's basically a trophy-sharing exercise with Mexico. And as co-hosts for 2026, they don't face any qualifying jeopardy for the next four years either. So chances to test any new players—or a possible Berhalter replacement—will be scant.

That said, the current U.S. squad does feel a new kind of pressure. Simply matching the results of 2010 and 2014 is no longer good enough. The Americans have convinced themselves of themselves.

"This shows what we've been talking about: the growth of the American player," defender Walker Zimmerman said. "We'll be back hungrier than ever."

JOHN DAVID MERCER/USA TODAY SPORTS

Georgia coach Kirby Smart and players celebrated after beating LSU to win the SEC Championship on Saturday.

The College Football Playoff Is Set

By Laine Higgins

The last time Georgia won a national football championship—last January—Bulldogs faithful had spent four decades pining to get back to that pinnacle. This time around, their championship aspirations may not require quite as much patience.

Georgia has made its way back to the College Football Playoff for the second consecutive year—this time as the undisputed No. 1 team. Joining the defending national champions in the semifinal will be No. 2 Michigan, No. 3 Texas Christian and No. 4 Ohio State, the result of a conference-championship weekend that opened the door for the Big Ten to provide two of the field's four teams.

Georgia will face Ohio State on New Year's Eve in the Peach Bowl in Atlanta, while Michigan will take on TCU in the Fiesta Bowl in Glendale, Ariz. The winners will meet for the national title in Los Angeles at SoFi Stadium on Jan. 9.

No game this weekend had a bigger impact on the playoff race than Friday's Pac-12 championship between Southern California and Utah. The then-fourth-ranked Trojans were looking to avenge their sole loss of the season, win a conference title and break the league's years-long College Football Playoff drought in one fell swoop. Instead, the Utes won 47-24 to clinch their second straight Pac-12 championship and knock the Trojans out of playoff contention.

Utah's upset cleared the way for Ohio State, idle this week after getting crushed by Michigan at home a week ago, to sneak into the playoff picture. The Buckeyes' odds got a further boost on Saturday when No. 10 Kansas State held off a furious comeback by No. 3 TCU to win 31-28 in overtime.

TCU's record was unblemished prior to the Big 12 Championship, but it had involved plenty of ugly wins: The Horned Frogs launched successful comebacks in six of its nine Big 12 games prior to Saturday.

Following USC and TCU's losses, the only question remaining was whether a two-loss Alabama team could power its way into the top four. They fell just short, finishing fifth in the selection committee's final ranking as the top two-loss team. Tennessee, a 10-2 team that beat the Crimson Tide in October, finished behind them in sixth.

That left the task of ranking the final four. Georgia maintained the top spot after dispatching No. 14 LSU 50-30 in the SEC Championship, while Michigan also stayed in second with a 43-22 win over unranked Purdue in the Big Ten Championship. By keeping the Horned Frogs ahead of Ohio State, the selection committee avoided an unprecedented rematch of one of the sport's fiercest rivalries. Since the first game between Michigan and Ohio State in 1897, the teams have never played twice in the same year.

"Please. Bring it on," Wolverines quarterback J.J. McCarthy had said after the Wolverines beat Purdue in the Big Ten title game on Saturday.

The selection committee paid this tantalizing rematch little heed, said North Carolina State athletic director and selection committee chairman Boo Corrigan. "It was not talked about in the room," he said.

Instead, Ohio State will play against the reigning champions in what is a de facto home game for the Bulldogs, given the proximity of the Peach Bowl to Georgia's campus in Athens, Ga. In two previous games in Atlanta this season, the Bulldogs beat Oregon and LSU by a margin of 99-33.

Michigan and Ohio State could still meet again. Should the Wolverines win and the Buckeyes upset Georgia, they would meet in Los Angeles with everything on the line.

England Advances to Play France in the Quarterfinals

By Jonathan Clegg

Al Khor, Qatar

England arrived at the World Cup last month as one of the best-known quantities in international soccer.

This was a team that had reached the semifinals of the last two major tournaments, featured 11 holdovers from the 2018 World Cup on its squad, and a first-choice lineup made up of some of the most recognizable athletes on the planet. Of all the teams at the tournament, England was the least likely to surprise anyone.

But headed into the World Cup knockout rounds, the most well-established team at the tournament had somehow become a mystery. The Three Lions delivered three wildly inconsistent performances in group play here, and all of a sudden nobody knew quite what to make of them.

Was this the clinical offensive juggernaut that thumped nine goals past Iran and Wales? Or the slow, ponderous blockheads that got outplayed by the U.S.?

The answer was delivered emphatically at the Al Bayt Stadium on Sunday—and it wasn't the one about slow, ponderous blockheads.

With an emphatic and at times ruthless display of attacking soccer, England dispatched Senegal 3-0 to reach the World Cup quarterfinals and underline their credentials as one of the leading contenders to lift the trophy. England has now scored 12 goals in four games here, its highest-ever tally at this stage of a major tournament.

France will be its opponent in the quarterfinal on Dec. 10 in what will be the first meeting between the two counties in the World Cup knockout rounds. The defending champions will present England with its toughest test so far, but based on this display, England has the firepower to trouble Les Bleus.

England may not have an individual talent like France's Kylian Mbappé to call upon, but it does have a roster loaded with speedy attackers capable of stretching defenses—and, in Gareth Southgate, a head coach who knows how to deploy them to devastating effect.

For Senegal, the defeat marked the end of its run, though in many ways the team has already exceeded expectations by reaching the round of 16. When Sadio Mane, the most decorated Senegalese player of all time, was ruled out of the tournament through injury just three days before the opening game, Senegal's hopes of reaching the knockout round looked doomed. A 2-0 defeat by the Netherlands in the team's first match seemed to confirm that impression. But the reigning African Cup of Nations champion battled back with wins in its final two games to set up its first trip to the round of 16 since 2002.

CLIVE BRUNSKILL/GETTY IMAGES

England's Harry Kane scored his first goal of the Qatar World Cup.

OPINION

A Hype Cycle Winds Down

INSIDE VIEW
By Andy Kessler

Crypto exchange Coinbase went public in April 2021 and briefly traded at a $100 billion valuation. Its owners soon piled into real estate. Last December, CEO Brian Armstrong bought a $133 million Los Angeles estate, while his venture backers bought up swaths of Malibu. Post-IPO shares are usually locked up for six months, so assuming they all sold Coinbase shares, that was a smart move. Coinbase now is barely worth $10 billion.

I'm a huge fan of venture capitalists, who put risk capital from investors with long time horizons (like foundations and endowments) into companies that invent the future. Corporations usually don't have the risk tolerance. I've invested venture capital. You really do have to think ahead of everyone else. But I've noticed that most of the returns from venture investing, mine included, came when everyone got too excited about future possibilities, deep into the hype cycle of new technology. That's when the toxic cocktail of greed, stupidity and hubris takes over.

In 1983 an IPO boom emerged from the recession raising funds for Compaq and other computer companies. In 1995 Netscape investor John Doerr said, "It's possible that the Internet in fact has been underhyped." On its first day of trading that August, Netscape was valued higher than General Dynamics at nearly $3 billion (I know, how quaint). Dot-com mania took hold until early 2000. America Online milked the hype long enough to merge with Time Warner on Jan. 10, 2000, before spiraling down as reality set in.

Don't get me wrong. The hype cycle is a great time to fund future technology. Electric-truck maker Rivian says the company is funded through 2025. Many great winners have emerged from a hype cycle—Compaq, Google, Amazon, Salesforce, Facebook. But many multiples of those winners try and fail. That's OK, but overenthusiastic public investors almost always end up holding the bag stuffed with losers after venture capitalists sell or distribute unlocked shares to their limited partners at puffed-up prices.

The 2014-21 cloud-computing hype cycle, helped by near-zero interest rates, was a barn burner that lasted way too long. Some great companies went public: ServiceNow, Snowflake, Uber. But it also brought huge dreams of autonomous cars and electric vehicles, pumping Nikola and others and burning investors. Remember QuantumScape, funded by Bill Gates? With its vision for a better battery, it peaked at $114 in December 2020 and is now under $8. QuantumScape went public via a special-purpose acquisition company, taking advantage of quirky rules that almost ensure sponsors don't lose money while making whatever future projections they want without investor lawsuits. A license to hype.

Social Capital's Chamath Palihapitiya became known as the SPAC king after promoting and then burying investors in companies such as Clover Health, SoFi, Opendoor and Virgin Galactic, which are down 49% to 86% from their $10 offering price. He sold into the hype cycle, and investors lost. *Greed.*

It produced some good companies—but also gave us NFTs, FTX and SPACs.

Crypto was of course a master class in hype, paying off celebrities like Matt "Fortune favors the brave" Damon, Tom Brady, LeBron James and the confused Larry David. Kim Kardashian even paid a $1.26 million fine for pumping the unregistered token EthereumMax. FTX put its name on the Miami Heat's stadium and Major League Baseball umpire uniforms. Many celebrities fell for the ruse. Justin Bieber paid $1.3 million for a Bored Ape Yacht Club nonfungible token that's now worth maybe $70,000. *Stupidity*.

Mr. Palihapitiya recently claimed that Sam Bankman-Fried of FTX pitched him on an investment but turned him down after he asked for a better board of directors and representations on affiliated-party transactions. Angry SPAC investors almost instantly took to Twitter with hyperbole: "Game respects game" and "@chamath calls out a grift because he was inducted into the grifting hall of fame & elected president just few short years ago."

Here's the rub: While not necessarily creating the hype (although not completely innocent), every self-respecting venture capitalist surely knows his big paydays come during hype cycles. It's pretty obvious. So don't you think they would be savvy enough to know not to invest in someone else's hype?

Venture firm Sequoia Capital (Apple, Google, YouTube) contributed $800 million to the Twitter buyout at a $44 billion valuation. If Mr. Musk and his entourage had waited three weeks, the price would have been half. One of the few to do due diligence and checking on Mr. Bankman-Fried was Elon Musk, and he was only considering taking money from him to complete the deal. Others simply fell for the hype. Sequoia, Lightspeed, SoftBank, Tiger Global and BlackRock invested in FTX with only some confusing financials—an accounting firm's Hackensack, N.J., office audited FTX Trading—and no balance sheet. They invested anyway. *Hubris.*

This will all happen again and again, but remember that greed, stupidity and hubris almost always stem from hype. Don't fall for it.

Write to kessler@wsj.com.

While Nicaragua Burns, Rome Fiddles

AMERICAS
By Mary Anastasia O'Grady

Three Catholic priests, two seminarians, a deacon and a photojournalist who are being held at Managua's El Chipote prison were scheduled to go before a Nicaraguan judge Thursday. But the day came and went with no hearing.

Welcome to the world of arbitrary justice under the military dictatorship of Daniel Ortega. The defendants, arrested more than three months ago, face the possibility of long jail sentences for the crime of exercising freedom of conscience against the atrocities of the regime—their moral responsibility.

Meantime, Rolando Álvarez, bishop of Matagalpa, branded a dissident for his witnessing of the faith, has been detained since August. He's the second bishop to be targeted. In 2018 Auxiliary Bishop Silvio Báez of Managua was assaulted by the Ortega paramilitary.

It's no surprise that Mr. Ortega is desperate to silence the church. The Castro acolyte recognizes the threat it presents to his rule, not unlike the church in Poland during Soviet times.

Harder to fathom is the failure of Pope Francis to demand protection for his Nicaraguan flock and their local shepherds. In 2019 as attacks on Bishop Báez escalated, Rome pulled him out of the country. It was a move that smacked of abandonment in a time of crisis. In August Francis tweeted his "concern" about the persecution and desire for "peaceful coexistence." Mush. Similar to their brethren in China, Venezuela and Cuba, who also have been left to fend for themselves, Nicaraguan Catholics are bewildered by Vatican timidity.

Mr. Ortega ruled the country with an iron fist in the 1980s, after his Sandinista army toppled another dictator, Anastasio Somoza.

Comandante Ortega mouthed concern for the poor but it soon became clear that he was interested only in power and money. He was as ruthless with the highland peasants and coastal Miskito Indians as he was with the urban elite. Confiscated property was promptly divided among the top rebel leadership in what became known as the infamous "piñata."

Mr. Ortega agreed to a 1990 election with international observers, convinced he would win. He lost in a landslide. If not for the corruption of former President Arnoldo Alemán, Mr. Ortega might never have returned to power in 2006. Mr. Alemán's political faction in the legislature agreed to lower the threshold for a first-round presidential-election victory to 35% in exchange for prosecutorial protection from the Sandinistas. Once back in the executive office, Mr. Ortega used Venezuelan largess to consolidate his power and destroy Nicaraguan democracy.

Nicaraguan clerics have spoken out for years against Ortega tyranny, which has been getting worse since the spring of 2018. That's when student protests against the government's failure to contain a fire in a national park spread among the wider population.

Sources of popular discontent included a proposed social-security tax increase and cuts to benefits. His assault on the press and refusal to let go of power after more than a decade added to the outrage against the modern-day Somoza. In battling the uprising, Ortega police, military and paramilitary killed 355 demonstrators over three months.

Pope Francis stands back while dictator Daniel Ortega persecutes the faith.

Last year, as Mr. Ortega prepared for his fourth run for the presidency, he locked up dozens of political opponents. The regime reported he "won" the election with 75% of the vote.

Dozens of Ortega adversaries, including seven who had declared their intention to run for president, are serving lengthy sentences. Arturo Cruz, who was Mr. Ortega's ambassador to Washington from 2007-09, got nine years and is under house arrest. Cristiana Chamorro, a daughter of former President Violeta Chamorro, is serving an eight-year sentence at home.

Economist Juan Chamorro, also a member of the former president's family, and political scientist Felix Maradiaga, both aspiring candidates, each received 13-year sentences. They are held in El Chipote, as are lesser-known regime critics like Lesther Alemán—no relation to the former president—a 24-year-old student leader who got 13 years. Dora María Téllez, one of many former anti-Somoza rebels who have been jailed, received eight years. Human-rights groups say the dictatorship currently holds 235 political prisoners.

In testimony before the U.S. Commission on International Religious Freedom in November, Christopher Ljungquist, an adviser to the U.S. Conference of Catholic Bishops, described the repression against Nicaragua's Catholic priests and bishops. An "incendiary device" detonated inside the Managua Cathedral in 2020, he said, was one of some 200 attacks on the church since 2018.

"This year the Sisters of Charity were expelled from the country; scores of priests have been either exiled or have fled, and many face major obstacles in entering and leaving Nicaragua," Mr. Ljungquist said. Catholic radio stations have been shut down after criticizing the government's abuses. In the past six months, 11 priests have been "kidnapped" by the regime—taken away with no due process. Pope Francis is missing in action.

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Free Speech for All—Except the Little Guy

By Christopher Mills

The Supreme Court hears arguments Monday in *303 Creative v. Elenis,* in which Colorado claims it can compel Lorie Smith, a wedding website designer, to create custom content for same-sex weddings over her religious objections. The First Amendment broadly prohibits the government from compelling people to speak. The 10th U.S. Circuit Court of Appeals acknowledged that forcing Ms. Smith to speak a state-imposed message infringed on her First Amendment rights. But it justified that infringement on grounds that her custom designs are "by definition, unavailable elsewhere," making Ms. Smith "similar to a monopoly."

That's far-fetched. Common carriers such as railroads sometimes have circumscribed First Amendment rights based on market power and the public interest, but the high court has repeatedly held that even actual monopolies are generally protected by the First Amendment. As one of thousands of designers, Ms. Smith couldn't have fewer rights.

The American Civil Liberties Union sides with Colorado, arguing that its antidiscrimination law, which applies to Ms. Smith because she offers her services to the public, trumps her right to free expression. Yet the ACLU has also vigorously defended Big Tech companies from state efforts to regulate their censorship of user-posted content.

The ACLU favors liberty for Big Tech and censorship for small business.

In Texas a lawyer representing the tech companies answered in the affirmative when a judge asked if Twitter had a First Amendment right to "ban all pro-LGBT speech." The ACLU apparently agrees, arguing in its brief that "whatever the vices or virtues of any social media firm's particular choices," the state may not enforce "conformity with a single government-imposed view." In a brief in a similar Florida case, the ACLU asserts that the First Amendment "protects 'business corporations' and 'ordinary people engaged in unsophisticated expression' alike."

The notion that Twitter and TikTok have the right to free speech while Ms. Smith is subject to state-imposed conformity is incredible. Major social-media platforms are open to the public and purport to be viewpoint-neutral, while Ms. Smith custom-creates only designs and websites consistent with her beliefs, areas of expertise and personal passion. Social-media platforms are largely a conduit for others' unaltered speech, while Ms. Smith creates her own independent expression. And social-media platforms exercise vastly more market power than a website shop in Denver.

Yet the ACLU apparently believes that the First Amendment shields Big Tech while leaving Ms. Smith at the mercy of local officials who can compel her to speak against her faith or drive her out of business. Such an upside-down argument—siding with domineering corporations and against small-business owners—could be driven only by the ACLU's distaste for Ms. Smith's speech. That confirms the result the Supreme Court should reach: Ms. Smith isn't Amtrak, Marriott or Twitter. She is a small-business owner who wants to speak consistent with her beliefs. Her speech, as much as Colorado bureaucrats and the ACLU may dislike it, is protected by the First Amendment.

Mr. Mills is principal at Spero Law LLC. He filed an amicus brief on behalf of newspaper and book publishers in 303 Creative.

BOOKSHELF | By Julian Baggini

Autonomous, Up to a Point

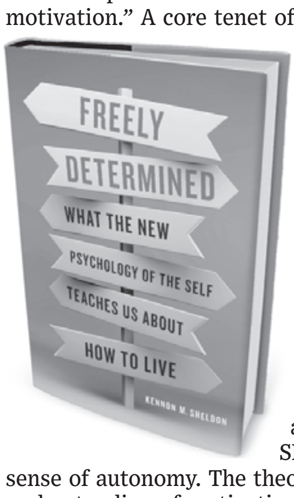
Freely Determined

By Kennon M. Sheldon
(Basic, 260 pages, $29)

While the power of the physical sciences to explain the operations of the world mechanistically is an irresistible force, the human feeling of being free remains an immovable object. It seems that only one can prevail, but neither looks as if it is about to yield.

More than a few scientists have blithely sauntered across this metaphysical minefield as though it were safe terrain. They claim that science has proved that free will is an illusion and say that's all there is to it. Psychologist Kennon M. Sheldon is a different kind of trespasser on philosophers' turf, arguing that free will is real after all. Yet his metaphysical claim, which occupies the early chapters of "Freely Determined," is treated perfunctorily and is in any case irrelevant to what the rest of this fascinating book has to say.

Mr. Sheldon's interest in free will is rooted in his work in Self-Determination Theory, which he calls "the world's most comprehensive and best-supported theory of human motivation." A core tenet of SDT is that "people need to experience themselves as the causal source and origin of their own behavior rather than feeling controlled and determined by external forces." When people feel autonomous, they are more content and successful. When they feel they have no control, they become morally cynical. After all, if we're not in control of what we do, how can we be blamed for wrongdoing?



Most of Mr. Sheldon's 10 chapters constitute a compelling and clear introduction to what SDT teaches us about nurturing a sense of autonomy. The theory gives us a rich and powerful understanding of motivation—how to harness it and avoid undermining it. Most notably, the theory points to the importance of intrinsic motivation: the desire to do something for its own reward, not for any instrumental benefit.

There are always some things we just have to do, like washing the dishes or filling out a tax form. But our lives tend to go better if, seeing ourselves as autonomous, we shape our actions around whatever appears to us to have intrinsic value. "The correlation between autonomous work motivation and subjective well-being," Mr. Sheldon notes, "is much stronger than the correlation between income and subjective well-being."

Intrinsic motivation, however, is under constant threat. Mr. Sheldon gives the hypothetical example of a law student initially motivated to fight for justice. But at law school she learns that people expect her to give priority to working for a prestigious firm and earning a high salary. She might well internalize this "status motivation," incorporating it into her sense of self. Or she might simply feel that she ought to be motivated by the same things that motivate her peers. In either case, the fight for justice, which she intrinsically values, has lost its force.

Mr. Sheldon's research into Self-Determination Theory helps him make a strong case for the importance of seeing our actions as the freely chosen result of our deepest motivations. Still, he should have resisted the tired self-help trope of over-egging the promise, saying "we can steer our ship of self into uncharted new waters, where joy and fulfillment await."

When it comes to the metaphysical realm, Mr. Sheldon's mistake is to think that SDT and the philosophical denial of ultimate free will are incompatible. That is only true of the most popular, if simplistic, threat to his model of human freedom: the extreme reductionism claiming that reality can be completely described in the language of physics; that consciousness is just the humming of the neural machine; and that everything is strictly predetermined.

Our well-being depends in part on a sense that our actions are freely chosen—that we are in control and don't live in a deterministic world.

Mr. Sheldon sees off this crude challenge with skill and clarity. A key to his argument is the idea of a "grand hierarchy of human reality"—a scale of human understanding and its modes, from micro to macro. Physics sits at the bottom, with the sciences of chemistry, microbiology and neuroscience stacked above it. Every time you ascend a level you encounter reality at a different order of organization. As Mr. Sheldon writes: "There is a kind of 'functional autonomy' at each new level, which builds upon what is given below. This means that each new level affects the world in a way that is partially independent of the levels below."

Ascend the hierarchy further and you get to the social sciences: varieties of psychology, sociology and anthropology. (He might have added philosophy.) You can't understand human societies, he observes, without reference to their values, or human actions without desires and intentions. The reductionist assumption—that thoughts and feelings are causally inert—is invalid.

This is all persuasive, but it leaves the deeper metaphysical problem of free will untouched. Human beings may make choices that are not predictable or even completely determined. The hard question of free will is whether, at the time of making a choice, we could have done otherwise (leaving aside randomness or chance). The most popular position in philosophy today is compatibilism: It says that, although we can't do other than what we do, we still have a valuable form of free will that allows us to maintain ideas of autonomy, control, responsibility and blame. In short, we may not be as free as we think we are, but we are free enough.

In "Freely Determined," compatibilism doesn't get a single mention. Instead Mr. Sheldon leans heavily on a recent book by Christian List ("Why Free Will Is Real") in which it is argued that free will requires three capacities: considering the possibilities for action; forming an intention; and acting on a chosen possibility. But whereas Mr. List delves into the complexities behind these seemingly simple check-boxes, Mr. Sheldon merely helps himself to the comforting conclusion that, since human beings possess all three capacities, we are free.

Fortunately, what Mr. Sheldon has to tell us about motivation and human action remains valuable, however we resolve the philosophical problem of free will. Readers will get a lot out of his book—as long as they recognize that it doesn't so much solve the problem as deftly swerve around it.

Mr. Baggini is the author of "The Great Guide: What David Hume Can Teach Us About Being Human and Living Well."

REVIEW & OUTLOOK

The Twitter Censorship Files

Elon Musk's release of internal emails relating to Twitter's 2020 censorship is news by any definition, even if the mainstream media dismiss it. There will be many threads to unspool as more is released, but a couple of points are already worth making.

The claims in 2020 by former spooks framed the platform's decision.

The first is that Mr. Musk would do the country a favor by releasing the documents all at once for everyone to inspect. So far he's dribbled them out piecemeal through journalist Matt Taibbi's Twitter feed, which makes it easier for the media to claim they can't report on documents because they can't independently confirm them.

A second point is an huzzah for Rep. Ro Khanna, the California progressive Democrat, who warned Twitter in 2020 about the free-speech implications and political backlash of censoring the New York Post story about Hunter Biden's laptop. That was good advice, even if Twitter didn't take it.

A third point is the confirmation of the central role that former spies played in October 2020 in framing the Hunter Biden story in a way that made it easier for Twitter and Facebook to justify their censorship.

Recall that former Democratic intelligence officials James Clapper and John Brennan led the spooks in issuing a public statement suggesting that the laptop may have been hacked and its content was Russian disinformation. On Oct. 16, 2020, Mr. Clapper told CNN that "to me, this is just classic textbook Soviet Russian tradecraft at work." On Oct. 19, 51 former spooks released their statement claiming that the arrival of the emails "has all the classic earmarks of a Russian information operation."

We now know that the Clapper-Brennan claims were themselves disinformation and that the laptop was genuine and not part of a Russian operation. CBS News recently waddled in two years later with a forensic analysis of its own and concluded it is real.

But the claims by the spies gave an excuse for the media to ignore the Hunter Biden story and even to dismiss Hunter's former business partner, Tony Bobulinski, who went on the record before the election to confirm much of the content on the laptop with documentation in the form of voluminous text messages.

We examined those messages ourselves at the time, and our Kimberley Strassel spoke with Mr. Bobulinski and put it all on the record before the election. We also wrote an editorial. But nearly all of the rest of the press ignored or trashed the story.

The Twitter documents published by Mr. Taibbi include part of what appears to be a memo from James Baker, the Twitter deputy general counsel. "I support the conclusion that we need more facts to assess whether the materials were hacked. At this stage, however, it is reasonable for us to assume that they may have been and that caution is warranted," Mr. Baker wrote.

He continued that "there are some facts that indicate that the materials may have been hacked, while there are others indicating that the computer was either abandoned and/or the owner consented to allow the repair shop to access it for at least some purposes. We simply need more information."

With an election so close, any delay helped the Biden campaign, which was trying to squelch the Hunter Biden story that raised questions about what Joe Biden knew about Hunter's foreign business dealings. Twitter went ahead and suppressed the story across its platform, going so far as to suspend the New York Post's Twitter account.

Readers may recall that Mr. Baker was director Jim Comey's general counsel at the Federal Bureau of Investigation during the Russia collusion fiasco in 2016. He was the main FBI contact for Michael Sussmann, the Clinton campaign lawyer who spread falsehoods about the Trump campaign regarding Alfa Bank, among other things.

Mr. Baker's ties to the former intelligence officials who signed the "Russian information operation" statement may have influenced his Twitter memo and the censorship decision. All of this is likely to be fodder for House Republican hearings into the FBI's role in the Hunter Biden story.

The partisan foray by current and former U.S. intelligence officials in the last two elections should be deeply troubling to Americans on the left and right. They have authority by dint of access to information that isn't confirmable by the press, which takes their spin as gospel. This is a form of political corruption that needs to be exposed, and perhaps the Twitter documents will help to unlock the story.

The Microwave Pasta Tort

Everyone knows plaintiff attorneys are ravenous, but this is ridiculous. The class-action lawyers at Sheehan & Associates in New York and the Wright Law Office in Florida are arguing that Kraft Heinz Co. should pay millions because its microwavable pasta takes too long to prepare.

This macaroni misadventure began when plaintiff Amanda Ramirez bought a pack of single-serving Velveeta shells and cheese at a Publix in Hialeah, Fla., this fall. The package says the dish is "ready in 3½ minutes," but Ms. Ramirez discovered that "3-and-a-half minutes is just the length of time to complete one of several steps," according to her complaint filed in federal court in Florida.

In addition to nuking the meal for three and a half minutes, consumers also have to remove the lid, add water, and stir in cheese sauce. The complaint suggests all of this effort has afflicted poor Ms. Ramirez with a case of dinner-related trauma.

She now is "unable to rely on the labeling and representations not only of this Product, but other similar products that claim they are ready in a specific amount of time, because she is unsure whether those representations are truthful," the complaint continues.

Ms. Ramirez and her lawyers accuse Kraft Heinz of violating the Florida Deceptive and Unfair Trade Practices Act and state consumer fraud acts. They also say the company engaged in negligent misrepresentation, fraud, false and misleading advertising, breach of warranty and unjust enrichment.

The plaintiff's lawyers note the same product is sold at "thousands of stores" across the U.S. and say "the aggregate amount in controversy exceeds $5 million," which they seek for Ms. Ramirez and "all others similarly situated." Shakedowns to follow.

If Sheehan & Associates sounds familiar, perhaps that's because this year it also sued Ralph Lauren Corp. over whether the yarn in a sweater it advertised as Pima cotton was sufficiently luxurious. That case is in federal court in New York.

In an emailed statement, Kraft Heinz said it is "aware of this frivolous lawsuit and will strongly defend against the allegations in the complaint." Glad to hear it. The typical goal of such class-action lawsuits is to force the defendant to shell out rather than noodling around in federal court.

A Christian Artist and a Gay Wedding

Jack Phillips, the Colorado baker who declined to make custom cakes for gay weddings, won at the Supreme Court in 2018, but that was a limited decision based on the animus of the state Civil Rights Commission. A factor that made a broader ruling complicated was whether Mr. Phillips's cake design qualified as speech. If yes, Justice Elena Kagan asked at oral argument, what about the work of a stylist whose free expression is in "creating a wonderful hairdo?"

Remember Jack Phillips, the Colorado baker? Meet Lorie Smith.

On Monday the Justices will take up *303 Creative v. Elenis*, another religious objection to Colorado's antidiscrimination law, but this time there's no hand-wringing over whether the First Amendment covers baked goods. Lorie Smith designs websites. She wants to offer custom wedding websites, while saying upfront that she will decline to work on same-sex weddings, because doing so "would compromise my Christian witness."

The design of wedding websites qualifies as "pure speech," the 10th Circuit Court of Appeals held last year. Yet the panel ruled against Ms. Smith. Colorado's law says companies that are open to the public can't refuse customers based on sexual orientation. The state's "interest in ensuring equal access to the commercial marketplace," the court said, trumped Ms. Smith's liberty claims. But a keystone in its ruling was the idea that Ms. Smith has a monopoly on websites in the style of Ms. Smith. This can't be right, or else every artist is a monopoly of one.

Colorado's brief argues that its antidiscrimination law targets "sales discrimination" and nothing more. "The Act does not, as the Company claims, compel a Hindu calligrapher to 'write flyers proclaiming, "Jesus is Lord,"' the state insists. "It requires only that if the calligrapher chooses to write such a flyer, they sell it to Christian and Hindu customers alike."

The state's conceit here is that Ms. Smith may define her service however she wants, "including offering only websites that include biblical quotes describing marriage as the union of one man and one woman." Theoretically, a gay couple getting married could ask Ms. Smith for exactly that. But to explain this argument is to refute it, because that isn't what the gay couple would want from Ms. Smith. The whole point is that Ms. Smith wants to sell custom websites that authentically tell a couple's love story.

What's remarkable about today's culture wars over wedding cakes and websites is that the freedom Mr. Phillips and Ms. Smith want seems modest next to other liberties that the U.S. has historically granted. In 1943, with Hitler on the march, the Supreme Court said schools couldn't make the children of Jehovah's Witnesses salute the U.S. flag. At the same time, the country defended itself while accommodating pacifists like Quakers and Brethren.

Ms. Smith only wants to sell websites. Unlike physical public accommodations, such as hotels and restaurants, there is no captive market on the internet. Coloradans can choose from countless different website designers, most of whom will happily serve gay weddings. So why can't the law leave Lorie Smith alone?

LETTERS TO THE EDITOR

Trump and the One Constant in the Universe

Former President Donald Trump's hosting and dining with two public anti-Semites, Kanye West and Nick Fuentes, and refusing to condemn their anti-Semitism, is a lot more serious than a "limitless capacity for hearing people tell him things he wants to hear" or "eagerness to push the boundaries of acceptable political behavior" ("Dinner at Hate for Donald Trump at Mar-a-Lago" by Gerard Baker, Free Expression, Nov. 29).

It is also far from being innocent or incidental, as Mr. Trump pretends. Recall that he previously claimed not to know who David Duke is and who the Proud Boys are when he was asked to condemn them. It was his way to garner and keep the support of those who support bigots, racists and anti-Semites.

Thankfully, more and more Republican supporters are beginning to see that Mr. Trump is not only hurting the Republican Party but aiding and abetting hate.

ABRAHAM FOXMAN
Bergen County, N.J.

Mr. Foxman is director emeritus of the Anti-Defamation League.

As a descendant of Holocaust survivors, I deplore Mr. Trump's meeting with a Holocaust denier, whether intended or inadvertent. To apply consistency, however, writers should also apply the descriptive moniker to Arab leaders who practice Holocaust denial, such as Palestinian Authority President Mahmoud Abbas, whenever they meet American officials, including President Biden.

DANIEL JACOBS
Orlando, Fla.

Mr. Trump fell back on his stock answer for Mr. Fuentes, but it's irrelevant. He knows Mr. West very well and certainly knows about his deranged and anti-Semitic theories, aired publicly for the past two months.

STEVEN MORRIS
Mt. Pleasant, S.C.

Your editorial "Donald Trump's Bad Dinner Guests" (Nov. 28) is critical of Mr. Trump for not admitting his mistake in hosting two racists and anti-Semites for dinner at Mar-a-Lago. However, the one constant in the universe, the immutable law of nature, is that Mr. Trump doesn't admit mistakes.

WILLIAM GOLDMAN
Los Angeles

The Inflation Reduction Act vs. Medicare

In his letter (Dec. 2), Matthew Fielder attempts to refute our conclusion that the Inflation Reduction Act will result in higher premiums and lower benefits in Medicare because of the law's funding cuts ("The Inflation Reduction Act Comes for Medicare," op-ed, Nov. 22). He argues that the law cuts in some areas but has full and permanent offsets in the form of enhanced premium subsidies. In fact, the statute provides for offsets for the transition years 2025-29, but those offsets are neither complete nor permanent. The Inflation Reduction Act's largest cut of the total funding begins in 2030, but large cuts will occur in the transition years, too.

Regarding 2030 and beyond, beneficiaries are mandated to pay at least 20% of premiums, which puts a low ceiling on how much premium subsidies can offset the other cuts. Regarding the transition, the offsets are (without changes in bids or benefits) limited to what seniors pay in premiums, which currently is only about $12 billion annually—far short of the $30 billion reinsurance cut effective 2025. The Congressional Budget Office estimates only $5 billion in annual offsets during the transition.

We expect that the sharp federal cuts to plan revenues will result in higher premiums, lower benefits and plan exits beginning in 2025. That the Inflation Reduction Act also shifts patient cost sharing to plans only strengthens this expectation. Even if we assume, contrary to fact, that the federal cuts didn't begin until 2030, we don't expect plans to wait until 2030 to make their adjustments.

PROF. CASEY B. MULLIGAN
PROF. TOMAS J. PHILIPSON
University of Chicago

China's Aggression Persuades Japan to Rearm

Walter Russell Mead's column "Global Tensions Spur a Sea Change in Japan" (Global View, Nov. 29) demonstrates that Tokyo is, if not heading toward a stage of rearmament, then at least shaking off its pacifist cobwebs. The revelation that Japan is intent on fielding a longer-range counterstrike capability, with all the missiles this will entail, is evidence enough of a shift in Japanese defense strategy.

There's a larger and fundamental principle at play that shouldn't be overlooked: China's abrasiveness is pushing other countries in Asia to push back against what they view as dangerous and destabilizing conduct. Ironically, China's foreign policy deserves much of the credit for waking Japan from a decadeslong slumber.

Generally, middle powers have two options in handling stronger states: they can bandwagon or balance. Bandwagoning entails working with the stronger state in the hope that some of its prerogatives are respected; balancing seeks to counteract the stronger state by forging partnerships with others and beefing up domestic defense capabilities.

With the exception of Cambodia and Laos, there is little evidence regional powers are interested in allying with China or acceding to a scenario in which Beijing is a regional hegemon. Japan isn't the only Asian power enhancing its defense. Vietnam, the Philippines, Indonesia, South Korea, India and Australia are very different countries, but each has territorial issues with China or has been subjected to coercive trade measures by China. They all have a reason to ensure the balance of power doesn't sway too much in China's favor.

DANIEL R. DEPETRIS
Fellow, Defense Priorities
New Rochelle, N.Y.

'Liberty' Over 'Conservative' For the Republican Party

Prof. Hyrum Lewis's insightful op-ed "'Conservative' Is a Bad Label for Republicans' Good Policies'" (Nov. 26) suggests that the term "conservative" has contributed to the Republican Party's obstructionist image, while the Democratic Party's "progressive" label implies progress, something much more pleasant.

Perhaps "liberty" should replace "conservatism" in future Republican self-labeling. The meaning, to be spelled out in future communications, would be that the party's focus is to ensure that all individuals are free to enjoy the pursuit of their personal interests, within the legal constraints of the society, and without overbearing restrictions imposed by a questionable and oppressive government.

CHARLES C. TATUM II
Redondo Beach, Calif.

When Effective Altruism Isn't

Regarding "FTX's Collapse Wiped Out Founder's Philanthropic Aims" (Page One, Nov. 25): The first tenet for all philanthropy, particularly for those "effective altruists" who strive to do the most good for the most people, must be to first do no harm.

Let's hope with this very public downfall, effective altruists will take a hard look to ensure in their future efforts to do the most good, they first do no harm. These broken promises hurt specific nonprofits and are a blow to trust, a currency as important as cash, in the nonprofit sector.

KATHLEEN ENRIGHT
President, Council on Foundations
Washington

Against Subsidizing Poverty

Your editorial "The Parable of the Child Tax Credit" (Nov. 29) says that Americans understand poverty is less about material deprivation and "more about idleness, addiction, mental illness and other destructive realities that can't be cured with a bigger check." Americans also know that those problems will become worse if we throw more money at them.

TIM KELLY
Naples, Fla.

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Pepper ... And Salt

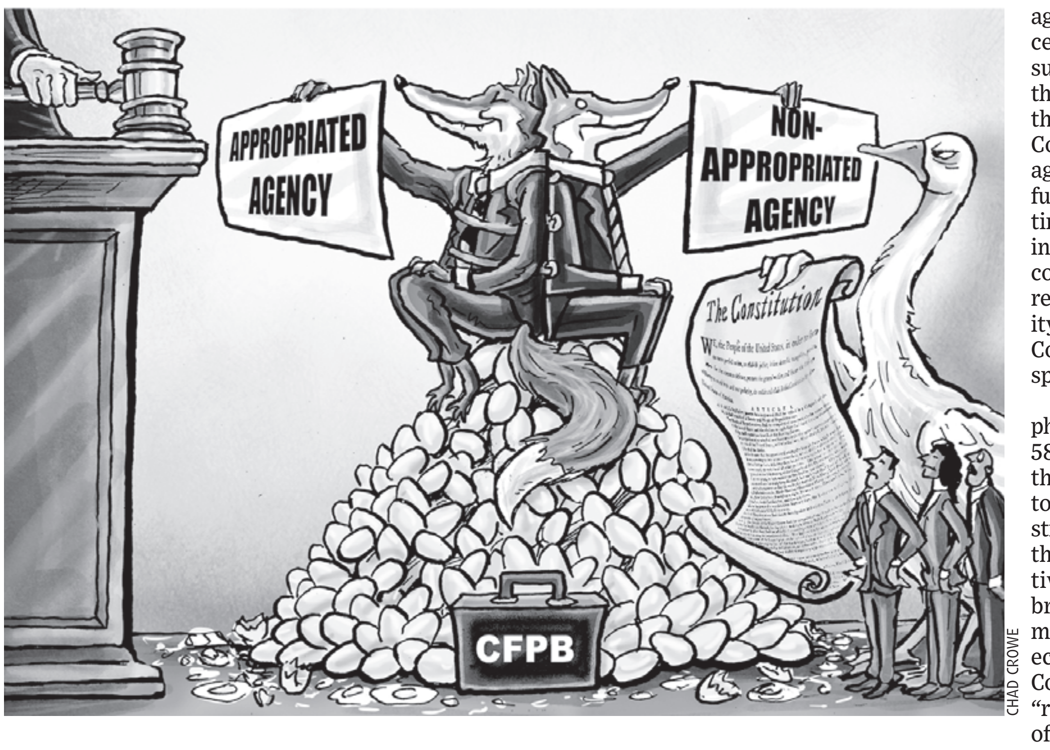
THE WALL STREET JOURNAL

"Sure, the dollar is strong, but I remember when it was almighty."

OPINION

The CFPB Engages in Legal Deception

By Adam J. White



CHAD CROWE

The Consumer Financial Protection Bureau is supposed to police against "unfair, deceptive, or abusive" practices. But the CFPB, which Congress established in the Dodd-Frank Act of 2010, is engaging in some false advertising of its own.

The Fifth U.S. Circuit Court of Appeals ruled in October that the bureau's unprecedented power to fund itself is unconstitutional. The Constitution prohibits agencies from spending from the federal Treasury without "appropriations made by law." The CFPB does exactly that. The Dodd-Frank Act authorizes its director to decide unilaterally how much the agency needs to spend and to demand that the Federal Reserve transfer the funds to the agency. As long as he

The bureau's Supreme Court petition contradicts its own repeated claims about its funding structure.

doesn't demand more than 12% of the Fed's operating expenses, the central bank is obligated to pay up. The Fifth Circuit recognized that this self-funding power violates the Constitution and undermines one of the basic pillars of republican self-government.

The CFPB has asked the Supreme Court to reverse that decision. Its petition, filed Nov. 14, makes a remarkable claim: that the CFPB's self-funding power is constitutional because Dodd-Frank itself satisfies the Constitution's requirement. The CFPB and the Justice Department argue that the statue's grant of perpetual funding, in the amount determined each year by the CFPB director, "indisputably establishes an appropriation under the long-accepted understanding of that term."

To be sure, this is a novel question. The Supreme Court has never had to decide the precise meaning of "appropriations" in circumstances like this, because Congress has never before created this kind of executive regulatory agency with such a funding structure. As obvious as it may seem that this doesn't fit the meaning of the Constitution's requirement for an "appropriation," the court can now answer that question authoritatively.

But in making its argument to the court, the CFPB and Justice Department's joint brief left out a crucial point: Throughout its entire history, the CFPB itself has consistently declared that its funding *doesn't* come from "appropriations":

• The CFPB's first director, Richard Cordray, testified to Congress in 2012 that the CFPB's revenues were "non-appropriated funds."

• The CFPB's 2013 strategic plan asserted that by "providing the CFPB with funding outside of the congressional appropriations process," lawmakers had ensured the bureau's "full independence."

• The bureau's 2014 annual report reiterated that Dodd-Frank gave it "a source of funding outside the appropriations process."

• Since 2013, the CFPB's financial reports consistently called the bureau "an independent, non-appropriated" agency. The most recent such report states: "The Dodd-Frank Act explicitly provides that Bureau funds obtained by or transferred to the CFPB are not government funds or appropriated funds." That report was released Nov. 15, the day after the bureau filed its Supreme Court petition.

• Last year, when CFPB Director Rohit Chopra told the Senate Banking Committee that the CFPB's "base level of funding" is "guaranteed by statute," he drew a contrast between that funding and any extra money that the agency might someday request from Congress, which would be "subject to the normal appropriations process."

The CFPB isn't alone in describing its funding as something other than "appropriations." When Congress designed the agency, a Senate Banking Committee report found that a guarantee of "adequate funding, independent of the Congressional appropriations process," would be "absolutely essential" to the agency's "independent operations." That theme has persisted among the CFPB's advocates in Congress. In 2018, 40 Democratic senators opposed a proposal to return the bureau to Congress's appropriations power. They wrote that "the CFPB receives its funding from the Federal Reserve, rather than from the Congressional appropriations process" to "ensure its independence."

In short, the CFPB and its advocates have always understood that its money didn't come from "appropriations." This was a feature, not a bug—until it became clear that such "full independence" from Congress's power was an invitation to constitutional scrutiny.

No federal regulator should enjoy "full independence" from Congress. It is one thing for lawmakers to fund an agency partly through licensing fees or other sums paid by businesses that benefit directly from the agency's work, or for Congress to grant an agency appropriated funds for a few years at a time. Funding an agency in perpetuity without congressional action is a recipe for unaccountability. It defeats both the Constitution's text and spirit.

As James Madison emphasized in Federalist No. 58, Congress's power of the purse was intended to be the "powerful instrument" preventing "all the overgrown prerogatives of the other branches of the government." Requiring the executive branch to ask Congress to raise revenue "requisite for the support of government" helps to ensure that administration is truly supported by the people. "This power over the purse," Madison emphasized, "may, in fact, be regarded as the most complete and effectual weapon with which any constitution can arm the immediate representatives of the people."

In Dodd-Frank, Congress simply signed away its power of the purse and created what Justice Antonin Scalia once called "a sort of junior-varsity Congress." The Fifth Circuit got it right, and if the Supreme Court takes up the case, it should return the constitutional purse to Congress, the people's trustee.

Mr. White is a senior fellow at the American Enterprise Institute and a co-director of George Mason University's Gray Center for the Study of the Administrative State.

Hardly Anyone Is Buying Biden's Bivalent Boosters

LIFE SCIENCE
By Allysia Finley

Marketing 101: Don't puff up your product. When it doesn't live up to the hype, the public won't trust what you're selling the next time around. That's the problem the Biden administration faces as it tries to peddle "bivalent" booster shots for Covid-19.

Vaccines have served a useful purpose by reducing severe illness among the vulnerable and seniors. But many Americans who rolled up their sleeves for the original two-doses and even third ones were led to believe the vaccines would prevent them from getting sick. Many nevertheless fell ill. Some were knocked out for days with flulike symptoms—exactly what they were trying to avoid by getting vaccinated and boosted. Can you blame them for not buying the administration's pitch that the new and supposedly improved bivalent boosters will "protect" them and their families?

The Health and Human Services Department has been running ads during the World Cup: "As we know, immunity doesn't last forever. Updated vaccines offer additional protection against Omicron. Don't miss the game." Such a misleading statement might get a vaccine maker sued for deceptive advertising.

Omicron has been supplanted by numerous distant relatives. The bivalent vaccines target the original Wuhan strain as well as BA.4 and BA.5 variants—grandchildren of Omicron. Those variants predominated when the Food and Drug Administration directed vaccine makers to produce the bivalent boosters this summer, but they now make up less than 15% of viruses sequenced.

The administration flogs a recent study by the Centers for Disease Control and Prevention that supposedly provides real-world evidence that the bivalents boost protection. According to the study, previously vaccinated and boosted individuals who got the bivalent booster were between 19% and 43% less likely to develop Covid-19 symptoms than the unvaccinated.

Seniors who got five shots including the bivalent were only 23% less likely to get sick this fall than the unvaccinated. That's hardly anything to boast about. The bivalents also fell well short of the 50% efficacy standard the FDA set for authorizing Covid vaccines in 2020—a time when the virus was more lethal and fewer Americans had natural immunity.

These figures probably represent the bivalent boosters' peak efficacy since the study tracked infections only during the first several weeks after most had gotten their shots. Antibodies and protection against infection rapidly fall a couple months after vaccination, as we saw with the two-dose formulation and boosters.

The administration has oversold vaccines for two years, and Covid is less lethal now anyway.

Recall that the original vaccines were initially found to be about 95% effective against infection based on randomized controlled trials. Protection then waned as antibody levels fell and the virus mutated. As so-called breakthrough infections became more common, administration officials insisted that the vaccines still protected against severe illness.

For many Americans, that was beside the point. Healthy nonelderly people are at low risk of hospitalization. Many got vaccinated to reduce their risk of passing on the virus to vulnerable friends and family. President Biden said in April 2021 that getting vaccinated will "protect your community, your family, your friends, and your neighbors."

But by last fall it was clear that vaccinated Americans were catching and spreading the virus. Then the administration rolled out third doses it claimed would strengthen individual and collective protection.

To many Americans, the boosters came as a bait-and-switch. They'd been led to believe vaccines offered a lifelong warranty against infection. Public-health officials at the outset should have set more realistic expectations.

The administration likely feared that providing these public disclaimers would undermine its vaccination campaign. Not doing so, however, had the same result. Public-health officials compounded this mistake by overselling the boosters.

Last December, Anthony Fauci insisted that "our booster vaccine regimens work against Omicron" despite evidence that the new variant evaded vaccine antibodies. Studies later showed that the original boosters were 75% effective against symptomatic Omicron infection in the first several weeks after inoculation, but protection rapidly receded and vanished against Omicron's progeny.

The CDC's website in September showed that, since April, Americans who got the original boosters were testing positive at *higher* rates than those who had only two doses. These data were recently removed from the website when case data were added for the bivalent booster.

Even as administration officials pump the bivalent boosters, they insist that the original vaccines protect against severe illness. "The real danger is in the people who have not been vaccinated," Dr. Fauci said at a Nov. 22 press briefing. "If we're going to see a problem this winter, it's going to be among those people." If that's true, who needs another booster?

The immunocompromised and elderly who mount poor vaccine responses would benefit more from new treatments than getting shots every few months. An estimated half of those dying with Covid can't take the antiviral Paxlovid for medical reasons, which limits the drug's utility for the highest-risk patients. As for everyone else, here's the public-health message the administration should be relaying: The best way to protect yourself from getting sick with Covid or any other respiratory illness is by getting enough sleep, nutrition and exercise.

How Japan Can Avoid Europe's Energy Mistakes

By Rahm Emanuel

Tokyo

Europe's energy dependence on Russia has been a long-simmering problem. Russia's invasion of Ukraine transformed it into a crisis. As European countries have tried to counter this unjust war, Vladimir Putin has waged another assault on the Continent's home front with abrupt cuts to energy supply, risking significant disruptions to European economies.

All of this teaches the dangers of relying on despotic leaders determined to upend the global order. While the struggle for energy may not come to Japan in the same way, Japanese policy makers can learn from Europe's energy vulnerability. Tokyo can avoid Europe's predicament, but it must move quickly. The Dec. 1 launch of the U.S.-Japan Energy Security Dialogue offers an excellent opportunity for our two countries to reinforce our shared energy-security goals.

European countries are in a mad dash to reduce their reliance on Russian energy by two-thirds this year—by diversifying gas supplies, accelerating renewable-energy deployment and improving energy efficiency. It's a monumental undertaking made harder by decades of deteriorating energy infrastructure. Their work has been nothing short of heroic.

A similar task awaits the Japanese. For Japan to achieve energy security and meet its climate goals, it must activate its well-developed nuclear-power industry. Japan has the deep technical know-how for this, but every day its nuclear plants are offline, that know-how is diluted. Prime Minister Fumio Kishida's pledge to restart some of the country's nuclear-power plants took courage, and he knows better than anyone the domestic political challenges of embracing nuclear power, especially after the nuclear-leak crisis caused by a tsunami in March 2011. Governing is about making these difficult choices, and the sooner Japan restarts its nuclear plants, the closer it is to energy security and climate stability.

While the existing plants can be restarted, the U.S. and Japan are also looking to the future of nuclear power: advancing small modular reactor capabilities. Our two countries are in the lead on this cutting-edge technology, and we're already working together to support its use in such countries as Romania and Ghana.

Japan can also use its ingenuity and engineering skills to advance the use of hydrogen. Japan had invested many years in pioneering hydrogen supply chains, leaving it with a 20-year head start on hydrogen technology, which was once seen as impractical. Japanese companies such as Mitsubishi Heavy Industries, Kawasaki Heavy and Iwatani are leading the way on clean hydrogen, and Japan's natural abundance of freshwater is a major asset for deploying this energy source. Hydrogen has a chance to become a clean and stable energy alternative for heavy industry.

Japan can likewise become a leader in new battery technologies. The world's top three holders of electric-vehicle patents are all Japanese. Japan has the real potential to transform these skills into a driving force that would reduce its energy insecurity while leading the energy transition internationally.

The U.S. is ready to help Tokyo on innovation, efficiency, nuclear power and natural gas.

Another lesson from Europe is that countries should import natural gas from their friends, not their enemies. Last year Russia supplied about 9% of Japan's liquefied natural gas. Australia supplied the most, over 36%. The U.S. already supplies Japan with 10% of its LNG, and we are ready to do more. Planned expansions in states such as Alaska could, based on private-sector studies, supply Japan's current and future demand at a reasonable cost with much lower methane emissions than alternative LNG. Alaska LNG can travel to Japan in six days without any strategic chokepoints and can make Japan the energy export hub for the Indo-Pacific to reduce its coal dependency. If America, Australia and other friends can supply the majority of Japan's LNG needs, why would Japan need to rely on its adversaries?

Japan should also deploy more renewable energy and improve energy efficiency. Domestic resources such as solar and wind are already powering communities from Hokkaido to Okinawa, and geothermal and tidal energy could further improve the mix, helping Japan reach its goal of meeting 24% of its electricity needs with renewable energy by 2030. Retrofitting buildings and lighting, heating and cooling systems will make offices and homes more energy-efficient. And given Japan's commercial building stock, this could significantly reduce Japan's energy needs.

Japan isn't as resource-poor as commonly portrayed. While it may not have oil and gas, it does have other valuable domestic resources and technological know-how on which to draw. Energy is the lifeblood of industrial economies, and great democracies like ours can't rely on capricious dictators for their security. Japan has the benefit of being able to learn from Europe's example—and it should act accordingly.

A wise man once said, "Never allow a good crisis to go to waste." Japan's energy crisis is Japan's energy opportunity. America's security commitment to Japan is more than just weapons. It is also our energy resources and technology.

Mr. Emanuel is U.S. ambassador to Japan.

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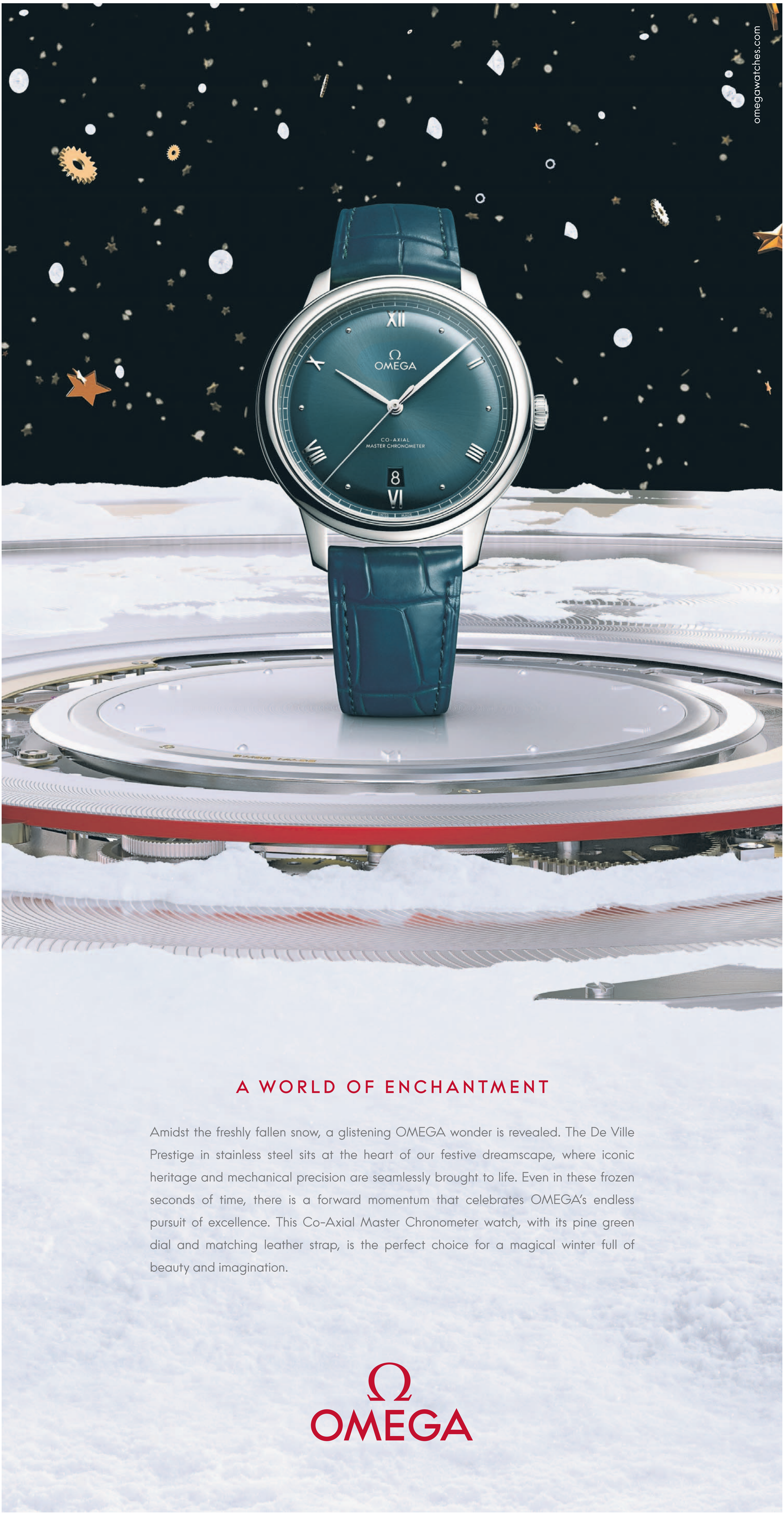
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Amidst the freshly fallen snow, a glistening OMEGA wonder is revealed. The De Ville Prestige in stainless steel sits at the heart of our festive dreamscape, where iconic heritage and mechanical precision are seamlessly brought to life. Even in these frozen seconds of time, there is a forward momentum that celebrates OMEGA's endless pursuit of excellence. This Co-Axial Master Chronometer watch, with its pine green dial and matching leather strap, is the perfect choice for a magical winter full of beauty and imagination.
Ω
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HEARD ON THE STREET: INDIA'S DRAFT PRIVACY BILL HAS HIDDEN RISKS FOR U.S. TECH B9

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Blue Chips Outshine S&P, Nasdaq

Dow outpaces broader stock-market benchmark by widest margin since 1933

By Hannah Miao

The Dow is beating the broader market to a degree not seen in nearly a century.

The Dow Jones Industrial Average is down 5.3% this year, which isn't normally a cause for celebration. But that performance looks downright golden compared with the broad S&P 500, which is off 15%, and the tech-heavy Nasdaq Composite, which has dropped 27%.

The Dow's year-to-date advantage over the S&P 500 is the biggest since 1933. The Dow's lead over the Nasdaq at this point in the year is the widest since 2000. Of the three indexes, the Dow is the only one not in a bear market, defined as a drop of 20% or more from a recent high.

The divergence is another sign of how the Federal Reserve's aggressive interest-rate increases this year have shaken every corner of the market. With the Fed trying to slow down the economy and a potential recession on the horizon, investors are reaching for shares of value companies that generate cash for holders now. Technology companies promising high growth down the line in exchange for pricey shares have seen their stocks stumble.

That is giving a boost to the Dow, which is thought to represent the stalwarts of the American economy. Its 30 members include **McDonald's** Corp., **Boeing** Co. and **JPMorgan Chase** & Co. The Nasdaq, with more than 3,700 components, is generally deemed a tech benchmark. The S&P, with 500 members, has long been considered the broadest gauge of the U.S. stock market, and tech firms are a big piece.

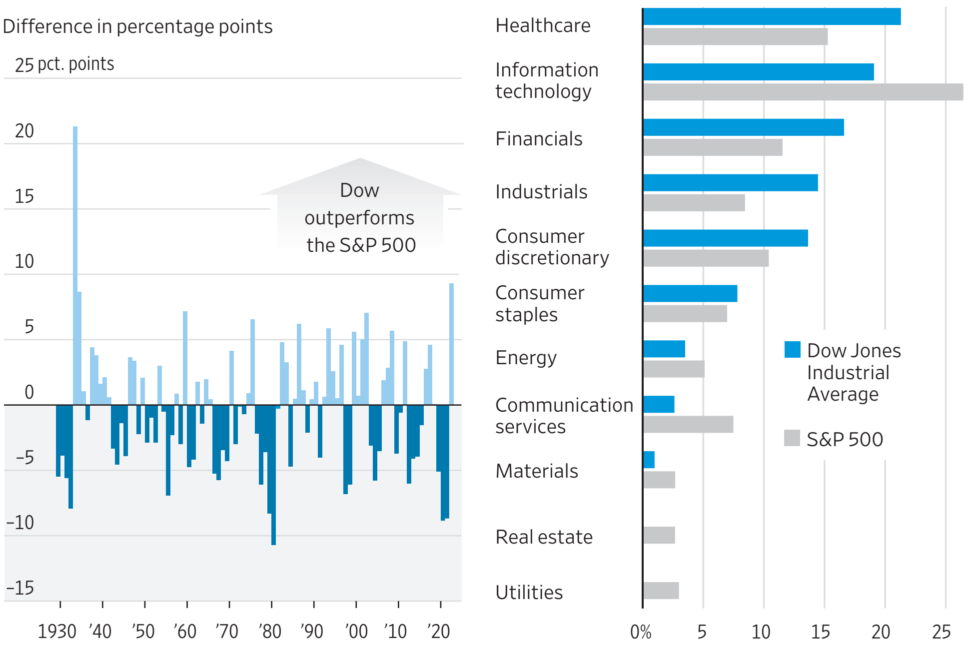
The Dow isn't always the market leader. In 2020 and 2021, when interest rates were near zero, investors had fewer options for places to put their money for good returns. That made investors more willing to bet on riskier stocks like tech companies. The pandemic, which sent people online for work and play, also boosted tech firms. In 2020, the Dow gained 7%. The Nasdaq rose 44%.

But this year, tech stocks aren't such a hot trade. Megacaps such as **Apple** Inc., **Microsoft** Corp., **Amazon.com**

Please turn to page B8

Dow Jones Industrial Average annual performance versus the S&P 500*

Sector weightings†



*Based on year-to-date performance through Dec. 2. †As of Dec. 1
Sources: Dow Jones Market Data (performance vs S&P 500); S&P Dow Jones Indices (weightings)

MARIO TAMA/GETTY IMAGES

Chevron is the Dow's top-gaining stock this year and up 54% amid a boom in oil prices.

Credit Suisse's New Unit Attracts Saudi

Saudi Arabia's crown prince and a U.S. private-equity firm run by **Barclays** PLC's former chief executive are among investors preparing to invest $1 billion or more in **Credit Suisse**'s new investment bank, people familiar with the matter said.

By Justin Baer, Margot Patrick and Summer Said

Crown Prince Mohammed bin Salman is considering an investment of around $500 million to back the new unit, CS First Boston, and its chief executive-designate, Michael Klein, some of the people said. Additional financial backing could come from U.S. investors including veteran banker Bob Diamond's Atlas Merchant Capital, people familiar with that potential investment said. Credit Suisse previously said it had $500 million committed from an additional investor it hasn't named.

Credit Suisse has received a number of proposals from investors interested in CS First Boston. Credit Suisse Chairman Axel Lehmann at a con-

Please turn to page B2

INSIDE

BUSINESS NEWS
CVS tests a system that lets pharmacists fill prescriptions remotely. **B3**

FINANCE
Emerging-markets governments feel the sting of local-currency debt. **B9**

STREETWISE | By James Mackintosh

Recession or Not, Investors Need Lots to Go Right

If the economy shrinks next year, no one should be surprised. We're facing the most widely forecast recession in history—and investors don't seem to care.

Recession in Europe and the U.K. is already the average of economic predictions, while the U.S. average forecast for next year is growth of a miserly 0.2%, according to Consensus Economics, the third-lowest since 1989.

The regular Wall Street Journal survey finds economists think there is a 63% chance of recession in the next year. And a survey of economists and investors by the Federal Reserve Bank of Philadelphia shows expectations that gross domestic product will fall in three or four quarters are by far the highest since it started in 1968.

Just because economists are convinced of their predictions doesn't mean they are right, of course. Since that Philly Fed survey started, not a single recession was spotted a year in advance. Economists missed the 1990, 2001 and 2008 recessions completely.

Are economists more likely to be right this time? And, if they are, does that mean stock prices and bond yields should be higher or lower?

The cynics among us (yes, me included) will be tempted to answer with a "duh" to both. Obviously economists still have no crystal ball, and obviously recession would mean lower stocks, and probably lower bond yields, as it always has.

There are reasons to be doubtful, though.

Start with the economists. Like generals, economists are really good at fighting the last war. They build models that incorporate previous problems, and are constantly blindsided by new issues. This time, they think they understand because the problem for the economy is well understood: a central bank raising rates aggressively to fight inflation.

"People think they've seen this movie a few times now, and they've appreciated the significance of central banks being late [to tighten] and making a soft landing more difficult," says Sushil Wadhwani, a former Bank of England policy maker and now chief investment officer of hedge fund QMA Wadhwani.

The Fed hasn't raised rates so far, so fast since Chairman Paul Volcker's assault on inflation at the end of the 1970s. Back then, not just one but two recessions followed in short order.

Economists and investors alike have also learned to appreciate a market indicator that has in the past preceded recession, the inverted yield curve, when long-dated bond yields are lower than those

Please turn to page B2

FTX Bankruptcy Spurs Global Clashes

The collapse of cryptocurrency exchange FTX has opened a hornet's nest of squabbles between foreign

By Alexander Osipovich, Alexander Saeedy and Alexander Gladstone

governments and its new U.S. chief executive, John J. Ray III.

In Cyprus, the country's securities regulator is complaining that Mr. Ray's decision to place FTX in bankruptcy stymied investigations and is preventing European customers from getting their money back. Officials in the Bahamas, where FTX moved its headquarters last year, are accusing Mr. Ray of making false statements and suggesting his team is motivated by the prospects of earning hefty legal fees. In Turkey, authorities seized the assets of FTX's local subsidiary, an affront to Mr. Ray's efforts to sweep FTX's assets into the chapter 11 process in Delaware.

Such disputes reflect a disconnect between the global aspirations of cryptocurrencies and the hard facts of the law. Proponents say the nature of crypto makes sending money to the other side of the world as easy as sending an email, and many crypto firms offered their services to customers all over the world and established headquarters in offshore jurisdictions. But laws meant to protect customers when things go wrong—and the bankruptcy regime in particular—are deeply tied up with national boundaries, and cross-border cooperation is never a guarantee.

KENNY WASSUS/THE WALL STREET JOURNAL

Former FTX CEO Sam Bankman-Fried is facing several investigations. During an interview Friday.

FTX's initial bankruptcy petition listed more than 130 affiliates in countries ranging from Canada to Ghana to Japan. FTX made around 95% of its revenue outside the U.S., according to financial statements seen by The Wall Street Journal and FTX employees.

The outcome of the international disputes will determine how FTX customers might recover some of the billions of dollars in missing funds they are owed. Regulators in various countries are eager to ensure their citizens are made whole. A fractured outcome may result in some customers getting all of their money back, while others get pennies on the dollar.

A spokeswoman for the FTX entities that filed for chapter 11 said that, since taking control, the debtors have established cooperative relationships with many regulators in jurisdictions where FTX has operated, and they are working on a path forward with the handful of regulators who took enforcement actions since the company filed for bankruptcy.

On Nov. 28, the chairman of the Cyprus Securities and Exchange Commission voiced concern about the bankruptcy process in a letter to Mr. Ray, a copy of which was seen by the Journal. FTX's European arm, FTX EU Ltd., was licensed in Cyprus, allowing the exchange

Please turn to page B8

Novo Nordisk Botches Obesity-Drug Launch

By Peter Loftus And Denise Roland

Novo Nordisk AS flubbed the launch of its new weight-loss drug Wegovy, missing out on hundreds of millions of dollars in sales and squandering a head start before a rival could begin selling a competing product.

Wegovy is among a new class of drugs that health regulators have approved to cut the weight of people who are obese, a goal long sought by doctors and patients. Their weight-dropping potential became a viral sensation on social media. Elon Musk tweeted about Wegovy in October. And a related drug for diabetes, Ozempic, is a hot topic in Hollywood among celebrities seeking to stay thin, according to doctors.

Yet Denmark-based Novo underestimated how big demand for the drug would be, and wasn't ready to make enough to fill the prescriptions that flooded in after U.S. approval last year. Then a contract manufacturer halted production to address inspection issues.

"We should have forecasted better, which we did not," Novo Chief Executive Lars Fruergaard Jørgensen said. "Had we forecasted that, we would have built a different supply chain."

The missteps have proved costly for Novo, which was forced to ration Wegovy to patients who already had started taking it. The company has recorded around $700 million in sales to date, well short of the $2 billion in 2021 and 2022 sales that some analysts had projected before supply issues hit.

Amber Blaylock, a music teacher from Springfield, Mo., said she has been trying to get Wegovy to help her reduce weight since hearing about the drug on TikTok and YouTube. She asked her doctor in September to prescribe it but hasn't been able to find it.

"Frustrated and impatient for sure," said Ms. Blaylock, 29 years old.

To turn things around, Mr. Jørgensen said Novo has increased its capacity to make Wegovy and plans a "relaunch" early next year, which should fulfill all orders.

Novo, however, lost valuable time establishing a beachhead in the lucrative obesity-drug market before rival **Eli Lilly** & Co. can enter. Lilly is expected to launch a similar, competing drug named Mounjaro late next year or in early 2024.

The market for antiobesity drugs, now worth $2.4 billion worldwide, could reach $50

Please turn to page B2

INDEX TO BUSINESSES

These indexes cite notable references to most parent companies and businesspeople in today's edition. Articles on regional page inserts aren't cited in these indexes.

A
Alameda Research......A1
AMC Networks...........B4
Associated British Foods........................B8
AT&T...........................B4

B
Barclays......................B3
Boeing.........................B1
Box B2

C
Comcast......................B4
Cox Media Group........A5
Credit Suisse..............B1
CrowdStrike Holdings.B3

E
Eli Lilly.......................B1
Exxon Mobil...............A7

G
Gannett......................B4

I
Interpublic Group of Cos............................B4

M
McDonald's..................B1
Meta Platforms..........B9

N
Netflix........................B4

O
Okta............................B3

P
Paramount Global.......B4

R
Roku B4

S
Salesforce..................B3
Snowflake..................B3
SPDR S&P 500 ETF....R4

V
Vanguard Long-Term Treasury Index Fund ETF...........................R7
Vanguard S&P 500 ETF R4
Vanguard Total Stock Market ETF..............R7

W
Walt Disney................B4
Warner Bros. Discovery B4
Wise...........................B8
Workday.....................B2

INDEX TO PEOPLE

A
Albert, Michael...........B2

B
Bankman-Fried, Sam..A1
Born, David................R5
Brady, Tom.................A4
Brown Morley, Ambre B2

D
Dougherty, James I....R5

E
Earle, Pete..................R2
Evans, Jim...................R5

F
Fatoullah, Ronald........R5
French, Bob.................R4

G
Goldberg, Gerald B.....R2
Goodarzi, Sasan..........B3

H
Herzog, Isaac.............A8
Hoole, Jared...............R4

I
Iger, Robert................A3

K
Kaplan, Gabriel...........R5
Klein, Michael.............B3
Kurtz, George..............B3

L
Lee, Stephanie............R4
Levie, Aaron................B3
Licht, Chris.................B4
Lincoln, Matthew........R4
Littlejohn, Brian..........R5

M
McKinnon, Todd..........B3
Millham, Brian............B3
Mullaney, Sean...........R1

N-O
Nixon, Katie................R2
O'Saben, Tom........R5,R4

S
Seigerman, Evan David B2
Shain, Ryan.................R5
Sherman, Andrew.......R5

W
Weaver, Amy..............B3
Winter, Paul................R4

BUSINESS & FINANCE

Drug Launch Botched

Continued from page B1
billion in 2030, Morgan Stanley estimates.

"Novo has left the door open for Lilly," said BMO Capital Markets analyst Evan David Seigerman.

Mr. Jørgensen said the company can regain lost ground because of high demand for Wegovy and the large potential for what is still a mostly untapped market. He said he was unconcerned with the looming competition with Lilly's drug, because there is room for both products.

"We disappointed physicians and patients in the first round," he said. "The company wants to be better prepared for the second round." Novo lists Wegovy at $1,349 a month. Some commercial insurers cover the drug.

Wegovy works by imitating a hormone called GLP-1, which occurs naturally in the body and suppresses appetite, among other effects.

Novo developed GLP-1 drugs to treat diabetes. In 2017, the company began selling semaglutide, the active ingredient in Wegovy, under the brand name Ozempic to treat diabetes.

NOVO NORDISK/ASSOCIATED PRESS

Novo Nordisk has increased its capacity to make Wegovy.

During the drug's development, Novo found that weight loss was a side effect, prompting the company to probe using semaglutide to treat obesity. A key trial found that Wegovy helped people with a high body-mass index shed up to 15% of their weight, surpassing the results for older obesity drugs like Novo's Saxenda.

Saxenda and other older weight-loss drugs had sold modestly, partly due to their limited weight loss, as well as some unpleasant side effects and the refusal of many health insurers to pay up.

Given the experience, Novo figured Wegovy sales would increase gradually. To augment its own production, Novo contracted with a single manufacturer, **Catalent** Inc., to fill the drug into syringes. Novo said it thought it would have time to add manufacturing capacity to meet a gradual increase in demand.

Wegovy may be superior to older drugs, but "we thought it would still be a journey to open up the market," Mr. Jørgensen said.

When Novo started selling Wegovy in the U.S. in June last year, however, demand took off. Doctors with large followings on social media touted Wegovy as groundbreaking, while users posted photos holding injection pens and shared their progress losing weight.

"Demand for these new agents has been unlike anything I've ever seen in my time in medicine," said Dr. Michael Albert, a physician specializing in weight-loss treatment at telehealth provider Accomplish Health who has consulted for Novo. Many of his patients began asking about Wegovy, he said, after they heard about it in Facebook groups or on TikTok.

It took only five weeks for doctors to write new prescriptions for Wegovy at the same weekly volume that Saxenda took four years to reach, according to Mr. Jørgensen. "It's a completely different ballgame that we're in," said Ambre Brown Morley, the company's vice president of media and digital global communication.

Within weeks, supplies were strained. Novo warned that patients might experience delays in receiving their prescriptions. Then in December 2021, Catalent temporarily stopped deliveries and manufacturing at its plant after Food and Drug Administration inspections found faulty air filters and damaged equipment.

Many people who couldn't get Wegovy for weight loss have sought prescriptions for Novo's Ozempic and Lilly's Mounjaro, according to analysts, even though the FDA hasn't approved the latter two drugs for such use. Ozempic sales increased so much that certain doses are in short supply through at least January, the FDA said.

Investors Need a Lot To Go Right

Continued from page B1
maturing soon. The 10-year Treasury yield is now 0.8 percentage point below the three-month yield, the biggest gap since December 2000 in what is, according to Campbell Harvey of Duke University, the most reliable indicator of recession.

"Especially after the global financial crisis [of 2008-09] people said we just can't ignore this any more," Prof. Harvey says. "So this [inverted curve] is impacting expectations."

To hear the economists tell it, things are pretty dire. Bad economic news means recession of course, but so does good news.

"It just means the central banks have to do more," says Alex Brazier, deputy head of fund giant BlackRock's Investment Institute. "If the Fed wants to get core inflation all the way down [to its 2% target] it needs a recession."

Economists might be wrong again. The comparison to the 1970s isn't perfect, since the pandemic lockdown and reopening caused rapid shifts in the economy.

Equally, the yield curve isn't magic, with the inversion reflecting investor expectations that the Fed will move to cut rates again starting next year, as inflation pressures wane. And not every economist agrees that recession is inevitable.

"The most important data, especially market data, look nowhere near recessionary," says Jan Hatzius, chief economist at Goldman Sachs. He points to the strong jobs market supporting household incomes, especially as headline inflation is likely to fall next year. Goldman puts the risk of recession at 35%, far below the consensus.

If there is a recession, should investors be worried? Historically, recessions have been accompanied by sharp falls in stock prices and bond yields.

But since the S&P 500 reached its low for the year so far six weeks ago, stocks have risen 17%, even as Wall Street analysts pared their forecasts for earnings over the next year by about 3%.

Stocks move inversely to bond yields at the moment, a sign that investors care far more about the outlook for interest rates than for profits. In part that is because the fall in forecast earnings remains contained. (Analysts are as bad as economists at predicting recessions.) The rally has been driven by an optimistic scenario in which inflation comes down without the Fed squeezing the life out of the economy, allowing interest rates to be cut late next year.

Such a soft landing is possible. But even in that scenario, optimistic investors also need to believe that Fed policy makers will rapidly lose their fear of inflation and recognize at some point next year that rates can be cut.

Investors trying to decide whether to buy the stock-and-bond rally need three things to go right. First, inflation comes down on its own, not because demand collapses. Second, the Fed recognizes in time that it doesn't need to crush demand to get inflation back to target. Third, the sharp rise in interest rates that has already happened doesn't cause a recession, or a recession is so shallow that earnings are basically fine.

I put little faith in economic models that have missed so many recessions in the past. But it is hard to have faith that stocks are having anything other than a bear-market rally, either.

Source: Federal Reserve Bank of Philadelphia (probability); Federal Reserve Bank of St. Louis (Treasury yield); Consensus Economics via FactSet (GDP forecasts)

Saudi Eyes New Bank Spinout

Continued from page B1
ference on Thursday said it has other firm commitments in addition to the $500 million from the unnamed investor. The bank hasn't received a formal proposal from any Saudi entity, some of the people familiar with the matter said.

Credit Suisse is spinning off the New York-based investment bank as part of a fresh start after being buffeted by scandals, regulatory scrutiny and steep losses.

It is raising $4.2 billion in new stock that separately will make Saudi National Bank its largest shareholder. It isn't clear if Prince Mohammed would make the investment through that bank or another investment vehicle.

Prince Mohammed is chairman of the country's sovereign-wealth fund, Public Investment Fund, which along with another government fund is Saudi National Bank's main owner.

Credit Suisse's stock scraped lows in recent days from the new share sale and a warning from the bank that customers pulled $88.3 billion in investments and deposits. The stock rebounded 9% Friday following comments by Mr. Lehmann that the outflows largely stopped.

Separating CS First Boston would give it a clean balance sheet and move it beyond Credit Suisse's wider losses and thorny legal issues. Many of its bankers defected to rivals this year. Those staying are being promised a share of profits through a partnership model. The name revives the First Boston brand that made Credit Suisse a force on Wall Street after expanding beyond Switzerland in the 1970s, with Mr. Diamond among its alumni. Analysts say the separation could be lengthy and complex.

Mr. Klein is to lead the new firm after a career as one of the world's most sought-after deal makers for companies and investors. As a Credit Suisse board member since 2018, he led a review of the investment bank's strategy over the summer, then got tapped by the bank's other board members to run the spinoff.

Making CS First Boston independent could take around two years, Mr. Lehmann said Thursday at the FT Global Banking Summit. He said its balance sheet, structure and governance are being discussed with the Federal Reserve.

Mr. Klein's involvement opened the door to Prince Mohammed's potential investment, people familiar with the talks said. Mr. Klein is a trusted adviser in the kingdom from deals such as the 2019 initial public offering of state-owned oil giant Saudi Arabian Oil Co.

Prince Mohammed has encouraged Saudi investment into businesses as diverse as electric-vehicle manufacturer Lucid Motors Inc., Twitter Inc., Uber Technologies Inc., Citigroup Inc. and the Premier League soccer club Newcastle United, making the kingdom an increasing force in the U.S. and globally.

Saudi National Bank is to become Credit Suisse's largest shareholder, with a 9.9% stake through the $4.2 billion stock sale being completed this week. Chairman Ammar al-Khudairy said the investment would foster deal-making and bring more banking know-how to the country, and that it might invest in CS First Boston, too.

Atlas Merchant's potential investment was first reported by Global Capital. The private-equity firm typically forms consortia with other investors to buy stakes in financial companies.

While at Barclays, Mr. Diamond tapped Mr. Klein for advice in taking over U.S. operations of Lehman Brothers, a complex carve-out similar to the one going on at Credit Suisse. An Atlas Merchant operating partner, Tom King. worked with Mr. Klein at Citigroup.

WILLY KURNIAWAN/ASSOCIATED PRESS

Crown Prince Mohammed bin Salman is considering an investment of around $500 million.

Amazon Web Services Turns to Supply Chains

By Paul Berger

Amazon.com Inc. is adding a supply-chain management service to its web services business, jumping into a competitive technology field as companies try to get tighter control of the flow of goods from factories to consumers.

Amazon's launch of its cloud application, AWS Supply Chain, adds Amazon to a growing list of software suppliers that help merchants juggle increasingly complex cargo flows and inventory demands. Microsoft Corp. launched its supply-chain management software platform in November.

Many companies are pressing for greater efficiency and visibility of their goods flows after being caught flat-footed during the pandemic by disruptions such as factory shutdowns in Asia and U.S. port congestion that added months to import delivery times and led to empty shelves and lost sales heading into the 2021 holiday season.

Amazon has a ready audience for its software with a phalanx of small- and medium-size businesses in its third-party marketplace. It says its application gives companies better visibility into their supply chains and that it uses machine learning to help manage inventory levels and better forecast demand.

The software identifies risks and provides recommendations to guard against shortages and delays so companies can quickly "respond to potential supply-chain disruptions," said Diego Pantoja-Navajas, vice president of AWS Supply Chain at Amazon Web Services.

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BUSINESS NEWS

Business Software Customers Pull Back

Trend causes cloudy outlook and adds to tech industry's list of concerns

By Kathryn Hardison

Business-software companies say customers are being more cautious with their spending in response to a challenging economy, adding to the tech industry's list of concerns.

Customers for companies such as **Salesforce** Inc., **Okta** Inc. and **CrowdStrike Holdings** Inc. are taking longer to sign deals, and in some cases slowing their hiring plans as they try to protect their bottom lines, the software providers reported this past week. That trend has created a cloudy outlook for many in the once-booming business-software sector, which benefited from years of demand as customers looked to use the products to trim costs and maintain their businesses during the pandemic.

"Certainly, the buyer environment has changed out there in the market. It's become more measured," Brian Millham, chief operating officer at Salesforce, said on an analyst call. Salesforce didn't provide a revenue forecast for the next fiscal year, as it often does around this time, with Chief Financial Officer Amy Weaver pointing to the "very unpredictable macro environment."

Salesforce said its business customers are adopting behaviors typically seen in an economic downturn, such as laying off workers, delaying hiring and slashing expenses in areas such as marketing. The San Francisco-based company, one of the largest vendors of customer-relationship-management software, said Wednesday that its clients in the tech, consumer-goods and retail sectors were pressured in the recent quarter, while the travel, hospitality and manufacturing sectors were among those showing more resiliency.

Okta saw softening demand from small-business customers in North America as clients delayed purchases or re-evaluated their spending, Chief Executive Todd McKinnon said during an analyst call. Other customers doubled down on their investments with the company as they worked to consolidate their IT spending, he said, and the provider of identity-management software had one of its best quarters on record for large deals. Still, Mr. McKinnon warned of "a global macro environment that we anticipate becoming worse before it improves."

Security-software provider CrowdStrike and cloud-software company **Snowflake** Inc. reported similarly worrisome trends from small businesses. Intuit Chief Executive Sasan Goodarzi had a different view, saying the provider of business- and financial-management solutions feels good about its small-business segment, though Intuit is still adopting a more cautious approach to the end of the year.

Investors reacted differently to the various quarterly updates, sending shares of Salesforce and CrowdStrike lower this past week, while lifting the stocks of Okta and **Workday** Inc. by double-digit percentages.

Box Inc. Chief Executive Aaron Levie said some customers are looking to the cloud-based content-management provider to help them pare their IT costs.

"When you look at their infrastructure cost, their content-management systems, their security technology, that's a very, very potent value proposition right now," Mr. Levie said on an analyst call. "At the same time, in some specific sectors and environments, you could have customers not hiring as many people," which affects their software needs.

MARLENA SLOSS/BLOOMBERG NEWS

Salesforce, which held its Dreamforce conference in September, says customers are adopting behaviors typically seen in a downturn.

Box reported that some deals in the recent quarter were smaller than expected, or pushed out further, as some clients faced head-count reductions and budget constraints. "Everybody is dealing with the macro environment in different ways," Mr. Levie said.

CrowdStrike said increased uncertainty among its customers led to lower-than-expected annualized recurring revenue, a measure of new business added during the quarter. Customers in its smaller, nonenterprise accounts prolonged their spending decisions, stretching out how long it took to close a deal on average, CEO George Kurtz said.

"While sales cycles lengthened, we believe that [the] vast majority of these deals are not lost, just delayed," Mr. Kurtz said during an earnings call.

The strain on corporate technology budgets and growing economic uncertainty are hampering the tech industry's momentum after the pandemic pushed businesses to adopt more digital tools. The tech industry is grappling with falling demand for personal computers, a slowdown in digital advertising and weaker sales.

As a result, business-software providers are monitoring their own expenses.

Workday executives plan to pull back on hiring in the fourth quarter, which it expects will help expand margins in fiscal 2024.

Salesforce said it is benefiting from recent moves to pare its workforce costs and is continuing to review its real-estate footprint.

Okta said it would continue to benefit from recent moves to improve profitability, such as reducing hiring plans, rationalizing its real-estate footprint and focusing on its finances.

Executives at business-software providers have largely ditched their cautiously optimistic tone, compared with the sentiments they provided this summer, JPMorgan analyst Mark Murphy said in a research note.

TOM WILLIAMS/CONGRESSIONAL QUARTERLY/ZUMA PRESS

The system is intended to lighten the workload for pharmacists.

CVS Tests Remote Tech for Prescriptions

By Sharon Terlep

CVS Health Corp. is testing a system that allows pharmacists to process prescriptions in part remotely, a move it said could improve store working conditions and the experience for customers as the company grapples with a shortage of pharmacists.

CVS has equipped roughly 8,000 of its more than 9,000 U.S. drugstores with technology that allows pharmacists to review and enter prescription information remotely while still meeting patient-privacy requirements. About 400 of CVS's 30,000 pharmacists are currently helping prepare prescriptions either at central locations, from their homes or in stores other than where medications will be dispensed, the company said.

> **8,000**
> Drugstores out of the chain's over 9,000 that have the tech

The largest U.S. pharmacy chain by revenue said its initiative, which began this past summer in Arizona, will lighten the workload for store pharmacists and free them up to provide customers with a wider range of services, such as vaccinations and health screenings. The plan doesn't involve changes to how people pick up their prescribed medications from CVS pharmacies.

Some practitioners, however, have concerns about whether CVS's plan will ultimately improve service or working conditions for pharmacists amid chronic short staffing. State regulations also present some barriers for the company to further execute its plan.

"It's really a way to make the processing of prescriptions much more efficient," CVS Chief Executive Karen Lynch said in an interview.

CVS and rival Walgreens Boots Alliance Inc. are struggling to stop an exodus of drugstore pharmacists by offering measures such as bonuses, higher pay and guaranteed lunch breaks. Pharmacists were already in short supply before the pandemic; demand for Covid-19 shots and tests coupled with a labor shortage exacerbated the problem.

Walgreens, with nearly 9,000 U.S. locations, has said shortages of pharmacists and pharmacy technicians led it to reduce hours at roughly one-third of its stores. The chain is rolling out a network of automated, centralized drug-filling centers, which the company says will reduce pharmacists' workload.

The CVS initiative is a step toward pharmacists' eventually carrying out crucial tasks such as verifying pill counts in physical bottles from remote locations, something most state pharmacy boards currently don't allow, executives said. In that scenario, pills would be placed by a pharmacy technician on a specialized tray, which uses weight to register pill count, and that information along with images of the prescription would be beamed to a pharmacist, who could be working at another store or a central location.

BUSINESS NEWS

Media Layoffs Rise as Pressures Mount

CNN, Paramount and others look to trim costs amid streaming losses, ad slowdown

BY SARAH KROUSE AND JOE FLINT

At CNN, low ratings, advertising concerns and challenges at its parent company, Warner Bros. Discovery, led to layoffs this past week.

BRANDON BELL/GETTY IMAGES

An advertising slowdown, economic worries and strains of the shift to streaming have many major media companies in cost-cutting and layoff mode.

News organizations, TV networks, movie and television studios, and entertainment giants laid off hundreds of workers over the past week alone, including **Warner Bros. Discovery** Inc.'s CNN and **Paramount Global**'s television-production units.

The moves come after many entertainment companies spent the past few years spending heavily on streaming services that are now a drag on financial results. Traditional broadcast and cable television, meanwhile, continue to face viewer and subscriber erosion.

Add on fears of a recession and a slowdown in ad spending, and an industry that managed to survive and in some cases thrive as audiences swelled during the Covid-19 pandemic is now in retreat.

Walt Disney Co., Warner Bros. Discovery and Paramount Global lost a combined $2.5 billion on streaming in the most recent quarter alone and are now trying to rein in costs. Last Tuesday, **AMC Networks** Inc. said it would cut 20% of its U.S. workforce, citing the inability of its streaming apps to make up for losses from cord-cutting.

At CNN, low ratings, advertising concerns and challenges at its parent company, Warner Bros. Discovery, led to layoffs this past week. In a memo to staff, CNN Chairman Chris Licht said CNN's sister channel HLN would stop carrying live programming as part of its cost-saving efforts.

Gannett Co., the publisher of many newspapers including USA Today, on Thursday began laying off more than 200 people, on top of another 400 job cuts earlier this year. The Washington Post on Wednesday said it would stop publishing its Sunday print magazine, resulting in the loss of about 10 jobs.

The Labor Department said Friday that the U.S. labor market remained historically tight. Employment in the information sector has grown faster than the broader labor market in recent months, with jobs increasing 5% from January through November, about twice as fast as overall employment over the same period.

It could take time for continuing layoffs to show up in economic data because there is typically a gap between when companies announce them and when people are let go and actually leave payrolls, according to some economists. Some laid-off workers are quickly finding new roles as overall job openings remain abundant.

Neil Begley, a senior vice president at the ratings firm Moody's Investors Service, said even though the job market remains strong, many companies are worried about a potential recession. Those economic concerns and layoffs by other companies make it easier for companies to reduce head count.

"There's a nasty expression: You can't let a perfectly good crisis go to waste," he said.

NPR on Wednesday said that a decline in corporate sponsorships in light of "a worldwide economic shock" meant it must cut at least $10 million from its budget for the year and that it would essentially freeze hiring. The company said it would try to avoid layoffs.

Netflix was one of the first streaming companies to cut staff.

EMMA MCINTYRE/GETTY IMAGES

Magna, a unit of **Interpublic Group** of Cos.'s Mediabrands, in September said it expected U.S. ad spending to grow at a slower pace next year.

Entertainment companies are facing pressures that extend beyond the macroeconomic environment. Their huge bets on streaming now look shakier, as the market for streaming subscriptions is maturing in the U.S. and competition to add customers among a slew of rivals is cutthroat.

"As it becomes more crowded and competition becomes more fierce, there's less to reap," said Zuhayeer Musa, co-founder of Levels.fyi, which helps workers negotiate offers from a range of companies, including tech and media firms.

Netflix Inc. was one of the first streaming companies to cut staff and costs, laying off more than 400 people earlier this year.

Some media executives said Netflix's moves—which came as the company lost subscribers for the first time in a decade—prompted a greater focus at other companies with streaming services on controlling costs and trying to improve profitability.

Warner Bros. Discovery is facing an added set of challenges: reducing the heavy debt load stemming from the April merger of Discovery and **AT&T** Inc.'s WarnerMedia unit.

The company, whose properties include HBO Max, Discovery+, the Warner Bros. movie and TV studios and cable channels including CNN and TNT, has laid off more than 1,000 workers since the deal's completion.

Disney, whose streaming business lost nearly $1.5 billion in the most recent quarter alone, recently fired Chief Executive Bob Chapek and brought back his predecessor, Robert Iger, to the helm. Disney last Tuesday warned in a regulatory filing that it might face an impairment charge as it restructures its business.

In his first employee town hall since his return, Mr. Iger said Disney would give priority to making money over adding subscribers in its streaming business.

Comcast Corp.'s NBCUniversal is expected to make job reductions as part of cost-cutting across the unit, according to people familiar with the matter. NBCUniversal recently completed a voluntary retirement program that offered buyouts to people age 57 or older.

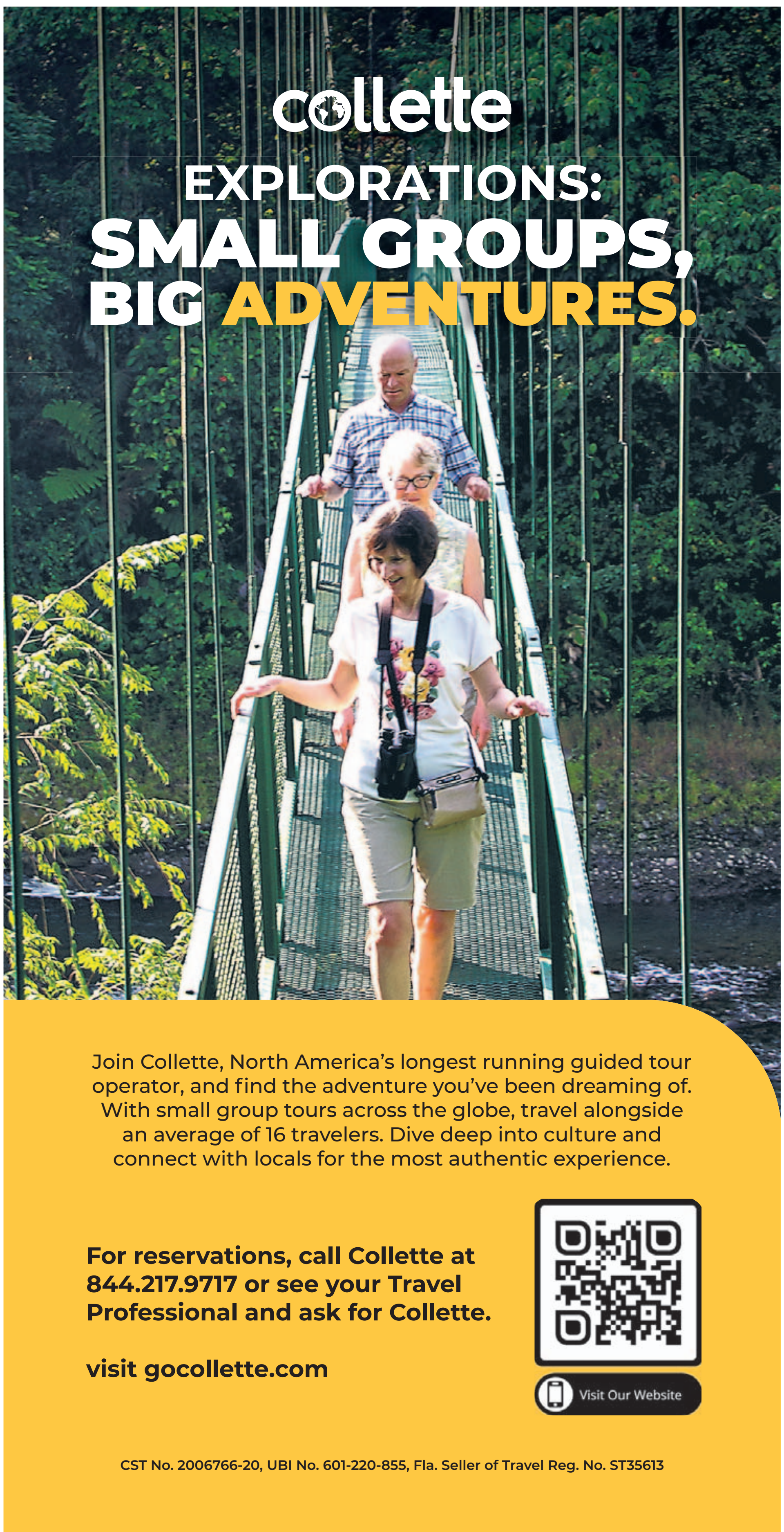
Paramount Global's CBS unit recently restructured its entertainment operations as part of a cost-cutting effort, leading to the departures of two senior executives. There also have been cuts at Paramount's ad sales units and production units at both CBS and Paramount.

AMC Networks, the home of many popular TV shows including "The Walking Dead" and "Better Call Saul," last Tuesday said it was laying off about 200 people to save resources as it struggles to generate enough money from its streaming services to make up for the continued decline of cable television.

Roku Inc., the largest maker of streaming devices in the U.S., last month said it planned to lay off about 200 employees. The company, which sells ads viewed on its own streaming service, the Roku Channel, and ads that appear on other streaming services viewed on Roku devices, said advertisers were reducing their fourth-quarter ad spending because of uncertainty over a potential recession.

"They aren't spending with anyone," Chief Executive Anthony Wood told investors recently. "It's not just they're not spending with us."

—Sarah Chaney Cambon contributed to this article.



SACRED STONE OF THE SOUTHWEST IS ON THE BRINK OF EXTINCTION

Centuries ago, Persians, Tibetans and Mayans considered turquoise a gemstone of the heavens, believing the striking blue stones were sacred pieces of sky. Today, the rarest and most valuable turquoise is found in the American Southwest—but the future of the blue beauty is unclear.

On a recent trip to Tucson, we spoke with fourth generation turquoise traders who explained that less than five percent of turquoise mined worldwide can be set into jewelry and only about twenty mines in the Southwest supply gem-quality turquoise. Once a thriving industry, many Southwest mines have run dry and are now closed.

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CLOSED-END FUNDS

Listed are the 300 largest closed-end funds as measured by assets. Closed-end funds sell a limited number of shares and invest the proceeds in securities. Unlike open-end funds, closed-ends generally do not buy their shares back from investors who wish to cash in their holdings. Instead, fund shares trade on a stock exchange. **NA** signifies that the information is not available or not applicable. **NS** signifies funds not in existence for the entire period. 12 month yield is computed by dividing income dividends paid (during the previous 12 months for periods ending at month-end or during the previous 52 weeks for periods ending at any time other than month-end) by the latest month-end market price adjusted for capital gains distributions. Depending on the fund category, either 12-month yield or total return is listed.

Source: Lipper

Friday, December 2, 2022

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Adams Diversified Eq Inc **ADX**	18.41	15.50	-15.8	-10.6
Central Secs **CET**	41.92	35.77	-14.7	-3.6
CohenStrsCEOppFd **FOF**	11.16	11.54	+3.4	-8.6
EVTxAdvDivIncm **EVT**	NA	24.59	NA	-4.5
GabelliDiv&IncTr **GDV**	25.47	21.84	-14.3	-10.5
Gabelli Equity Tr **GAB**	5.53	6.16	+11.4	-2.6
GeneralAmer **GAM**	46.07	38.39	-16.7	-4.6
JHancockTaxAdvDiv **HTD**	24.09	23.80	-1.2	4.5
Liberty All-Star Equity **USA**	6.21	6.19	-0.3	-13.0
Liberty All-Star Growth **ASG**	5.60	5.47	-2.3	-29.1
Royce Micro-Cap Tr **RMT**	10.51	9.50	-9.6	-3.1
Royce Value Trust **RVT**	15.83	15.13	-4.4	-7.7
Source Capital **SOR**	40.87	37.82	-7.5	-5.1
Sprott Focus Trust **FUND**	9.04	8.54	-5.5	11.4
SRH Total Return **STEW**	15.81	13.22	-16.4	5.9
Tri-Continental **TY**	31.42	28.15	-10.4	-5.3
Specialized Equity Funds				
abrdn Glb Prem Prop **AWP**	4.51	4.35	-3.5	-22.8
Adams Natural Resources **PEO**	26.64	22.55	-15.4	50.6
ASA Gold & Prec Met Ltd **ASA**	17.65	14.65	-17.0	-27.2
BR Enh C&I **CII**	19.23	18.29	-4.9	-5.3
BlackRock Energy & Res **BGR**	14.52	12.95	-10.8	43.1
BlackRock Eq Enh Div **BDJ**	9.49	9.44	-0.5	7.8
BlackRock Enh Glbl Div **BOE**	11.36	10.02	-11.8	-8.1
BlackRock Enh Intl Div **BGY**	5.93	5.26	-11.3	-6.9
BlackRock ESG Cap Alloc **ECAT**	17.44	14.30	-18.0	-16.3
BlackRock Hlth Sci Tr II **BMEZ**	19.35	16.53	-14.6	-20.7
BlackRock Hlth Sciences **BME**	44.10	44.57	+1.1	3.8
BlackRock Innov and Grow **BIGZ**	9.43	7.43	-21.2	-44.2
BlackRock Res & Comm **BCX**	11.55	9.99	-13.5	15.8
BlackRock Sci&Tech T II **BSTZ**	21.17	17.76	-16.1	-45.6
BlackRock Sci&Tech Trust **BST**	31.53	32.09	+1.8	-27.4
BlackRock Utl Inf & Pwr **BUI**	23.14	21.79	-5.8	-8.3
CLEARBRIDGE ENGY MDS OPP **EMO**	35.73	30.26	-15.3	52.2
CLEARBRIDGE MLP&MDSTM TR **CTR**	37.34	30.54	-18.2	40.8
ClearBridge MLP & Midstm **CEM**	42.11	35.44	-15.8	44.6
ChnStrInfr **UTF**	25.20	25.22	+0.1	-0.9
Cohen&SteersQualInc **RQI**	13.27	13.27	0.0	-11.4
CohenStrs Real Est and I **RLTY**	16.34	14.90	-8.8	NS
Cohen&Steers TotRet **RFI**	12.41	13.10	+5.6	-10.7
CohenStrsREITPrefInc **RNP**	22.05	24.25	+10.0	-2.3
Columbia Sel Prm Tech Gr **STK**	25.46	26.76	+5.1	-16.1
DNP Select Income **DNP**	9.21	11.13	+20.8	13.5
Duff&Ph Uti&Infra Inc Fd **DPG**	13.26	13.75	+3.7	8.3
EtnVncEqtyInc **EOI**	NA	16.87	NA	-4.8
EtnVncEqtyIncoII **EOS**	NA	17.40	NA	-18.8
EVRskMnDvsEqInc **ETJ**	NA	8.32	NA	-13.2
ETnVncTxMgdBuyWrtInc **ETB**	NA	14.05	NA	-5.7
EtnVncTxMgdBuyWrtOpp **ETV**	NA	13.19	NA	-9.4
EvTxMnDvsEqInc **ETY**	NA	11.89	NA	-8.6
EtnVncTxMgdGlbB **ETW**	NA	8.29	NA	-13.9
EVTxMnGblDvEqInc **EXG**	NA	8.01	NA	-12.5
Ecofin S&S Impact Term **TEAF**	NA	13.75	NA	4.2
First Trust Energy Inc G **FEN**	15.79	14.77	-6.5	19.8
First Tr Enhanced Eq **FFA**	17.78	16.59	-6.7	-13.0
FirstTrEnergyInfra **FIF**	17.72	15.20	-14.2	24.6
FirstTrMLPEner&Inc **FEI**	9.39	8.06	-14.2	23.3
Gabelli Healthcare **GRX**	12.53	10.65	-15.0	-8.5
Gab Utility **GUT**	3.75	7.40	+97.3	6.0
GAMCOGlGold&NatRes **GGN**	3.92	3.58	-8.7	4.2
J Han Finl Opptys **BTO**	35.82	36.48	+1.8	-6.2
Neuberger Brmn MLP & EI **NML**	8.71	7.10	-18.5	47.8
Neuberger Nxt Gen Conn **NBXG**	12.39	9.91	-20.0	-35.8
NubrgrRlEstSec **NRO**	3.68	3.60	-2.2	-19.5
Nuv Dow 30 Dyn Overwrite **DIAX**	16.75	16.14	-3.6	1.7
NuvCorEqAlpha **JCE**	13.05	13.56	+3.9	-3.7
Nuveen Nasdaq 100 Dyn Ov **QQQX**	21.45	22.01	+2.6	-18.6
Nuv Real Est **JRS**	8.89	8.52	-4.2	-21.2
Nuveen Rl Asst Inc & Gro **JRI**	14.06	12.32	-12.4	-10.7
NuvS&P500DynOvFd **SPXX**	15.62	17.86	+14.3	9.8
NuvSP500BuyIncFd **BXMX**	13.19	13.61	+3.2	1.6
ReavesUtilityIncome **UTG**	29.91	30.24	+1.1	-1.6
Tortoise Enrgy Infra Crp **TYG**	NA	33.37	NA	35.6
Tortoise Midstream Enrgy **NTG**	NA	37.62	NA	39.5
VDivInt&PremStr **NFJ**	13.97	12.08	-13.5	-15.5
V Art Int&Tech Opps **AIO**	20.16	17.47	-13.3	-18.1
Income & Preferred Stock Funds				
CalamosStratTot **CSQ**	14.27	14.62	+2.5	-14.2
CohenStrsLtdDurPref&Inc **LDP**	20.91	19.45	-7.0	-19.6
CohenStrsSelPref&Income **PSF**	20.80	20.09	-3.4	-20.8
CohenStrsTaxAvPreSecs&I **PTA**	20.62	18.83	-8.7	-13.0
Dividend and Income **DNI**	17.75	11.80	-33.5	-8.5
FirstTrIntDurPref&Inc **FPF**	19.13	17.33	-9.4	-23.3
JHanPrefInc **HPI**	16.39	16.78	+2.4	-9.7
JHPrefIncII **HPF**	16.25	16.32	+0.4	-14.1
HnckJPfdInco III **HPS**	14.57	15.20	+4.3	-9.3
J Han Prm **PDT**	13.26	13.98	+5.4	-12.1
LMP CapInco **SCD**	14.66	12.82	-12.6	-1.2
Nuveen Multi-Asset Inc **NMAI**	14.27	12.28	-13.9	-20.8
Nuveen Pref & Inc Opp **JPC**	7.97	7.69	-3.5	-10.1
Nuveen Fd **JPS**	7.74	7.18	-7.2	-17.5
Nuveen Pref & Inc Term **JPI**	19.84	19.06	-3.9	-16.2
Nuveen Var Rate P&I **NPFD**	19.71	17.70	-10.2	NS
TCW Strat Income **TSI**	5.13	4.73	-7.8	-10.8
Convertible Sec's. Funds				
AdvntCnvrtbl&IncFd **AVK**	13.01	12.22	-6.1	-16.0
CalamosConvHi **CHY**	11.22	11.63	+3.7	-17.4
CalmosConvOp **CHI**	10.64	11.08	+4.1	-17.7
Ellsworth G&I Fund Ltd **ECF**	9.88	8.54	-13.6	-24.5
V Conv & Inc **NCV**	4.08	3.66	-10.3	-26.9
V Conv & Inc II **NCZ**	3.63	3.10	-14.6	-29.8
V Div Inc & Conv **ACV**	21.58	21.31	-1.3	-15.5
V Eqty & Conv Inc **NIE**	24.89	21.79	-12.5	-17.3
World Equity Funds				
abrdn Emg Mkts Eq Inc **AEF**	6.10	5.27	-13.6	-27.9
abrdn Tot Dyn Div **AOD**	9.51	8.33	-12.4	-5.9
Allspring Gl Div Oppty **EOD**	4.88	5.04	+3.3	-3.8
BlackRock Capital Alloc **BCAT**	17.48	14.60	-16.5	-14.6
Calamos GloDynInc **CHW**	6.66	6.47	-2.9	-26.4
EV TxAdvGlbDivInc **ETG**	NA	16.24	NA	-17.4
EtnVncTxAdvOpp **ETO**	NA	22.23	NA	-19.3
FirstTr Dyn Euro Eq Inc **FDEU**	13.03	11.46	-12.0	-0.3
Gabelli Multimedia **GGT**	4.45	6.59	+48.1	-16.5
GDL Fund **GDL**	10.08	7.98	-20.8	-5.5
Highland Global Alloc **HGLB**	12.24	9.88	-19.3	24.6
India Fund **IFN**	17.42	16.16	-7.2	-5.9
Japan Smaller Cap **JOF**	7.71	6.44	-16.5	-14.2
LazardGlbTotRetInc **LGI**	16.82	15.32	-8.9	-12.7
Mexico **MXF**	NA	15.37	NA	12.1
Miller/Howard High Inc E **HIE**	11.73	10.96	-6.6	21.7
MS ChinaShrFd **CAF**	16.69	14.20	-14.9	-27.2
MS India **IIF**	30.00	24.68	-17.7	-1.6
MS CBRE Gl In Mg **MEGI**	17.33	14.56	-16.0	-21.7
Templeton Dragon **TDF**	11.72	9.98	-14.8	-35.7
Templeton Em Mkt **EMF**	14.07	12.32	-12.4	-20.9

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
BlckRk Income **BKT**	13.55	12.49	-7.8	9.2
Invesco HI 2023 Tgt Term **IHIT**	8.51	8.33	-2.1	5.5
Investment Grade Bond Funds				
Angel Oak FS Inc Trm **FINS**	15.01	13.04	-13.1	9.7
BlRck Core Bond **BHK**	11.42	11.13	-2.5	8.1
BR Credit Alloc Inc **BTZ**	11.55	10.83	-6.2	9.4
J Han Income **JHS**	12.08	11.28	-6.6	6.2
MFS Intmdt **MIN**	3.05	2.89	-5.2	0.0
Western Asset Inf-Lk Inc **WIA**	10.52	9.21	-12.5	22.0
Western Asset Inf-Lk O&I **WIW**	11.17	9.78	-12.4	14.5
Loan Participation Funds				
Apollo Senior Floating **AFT**	NA	12.67	NA	8.3
BR Debt Strategy **DSU**	10.53	9.62	-8.6	7.6
BR F/R Inc Str **FRA**	12.85	11.63	-9.5	6.9
BlackRock Floatng Rt Inc **BGT**	12.48	11.30	-9.5	6.8
Blackstone Sr Fl Rt Tm **BSL**	NA	12.65	NA	7.0
Blackstone Strat Cr **BGB**	12.23	10.91	-10.8	7.4
EtnVncFltRteInc **EFT**	NA	11.47	NA	8.0
EV SenFlRtTr **EFR**	NA	11.43	NA	8.4
FT/Sr Fltg Rte Inc 2 **FCT**	10.99	10.03	-8.7	8.5
Highland Income **HFRO**	14.87	11.37	-23.5	8.0
InvDYCrOpp:AX **VTA**	11.25	NA	NA	NA
InvSnrIncTr **VVR**	4.22	3.88	-8.1	9.2
Nuveen Credit Strat Inc **JQC**	5.88	5.35	-9.0	9.0
NuvFloatRateIncFd **JFR**	9.19	8.57	-6.7	8.7
NuvFloatRteIncOppty **JRO**	9.10	8.34	-8.4	8.7
Nuveen Senior Income **NSL**	5.38	4.87	-9.5	8.8
High Yield Bond Funds				
AllianceBernGlHiIncm **AWF**	10.70	9.99	-6.6	7.7
Allspring Income Oppty **EAD**	7.24	6.95	-4.0	9.99
Barings Glb SD HY Bd **BGH**	14.75	13.37	-9.4	9.3
BR Corporate HY **HYT**	9.53	9.13	-4.2	10.2
BlackRock Ltd Dur Inc **BLW**	13.74	13.41	-2.4	8.7
Brookfield Real Asst Inc **RA**	16.13	17.91	+11.0	13.3
CrSuisHighYld **DHY**	2.04	1.98	-2.9	9.3
DELAWARE IVY HIGH INCOPP **IVH**	NA	11.07	NA	7.9
DoubleLine Inc Sol **DSL**	12.18	11.99	-1.6	14.5
DoubleLine Yld Opps **DLY**	15.29	14.24	-6.9	9.96
First Tr Hi Inc Lng/Shrt **FSD**	12.81	11.74	-8.4	10.7
First Trust HY Opp:2027 **FTHY**	15.98	14.38	-10.0	11.1
Franklin Univ **FT**	7.87	6.96	-11.6	7.2
KKR Income Opportunities **KIO**	NA	11.52	NA	10.8
Nuveen Global High Inc **JGH**	13.06	11.76	-10.0	11.3
PGIM Global High Yield **GHY**	12.79	11.39	-10.9	11.1
PGIM High Yield Bond **ISD**	13.94	12.63	-9.4	9.8
PGIM Sh Dur Hi Yld Opp **SDHY**	17.12	15.46	-9.7	8.4
PioneerHiIncm **PHT**	7.66	6.95	-9.3	10.6
WstAstHIF II **HIX**	5.09	5.24	+2.9	11.2
Western Asset Hi Inc Opp **HIO**	4.38	4.10	-6.4	8.8
Western Asset Hi Yld D O **HYI**	12.71	12.28	-3.4	9.2
Other Domestic Taxable Bond Funds				
Allspring Multi-Sector **ERC**	9.80	9.95	+1.5	10.6
Apollo Tactical Income **AIF**	NA	12.31	NA	9.2
Ares Dynamic Crdt Alloc **ARDC**	13.66	12.06	-11.7	9.7
BlackRock Mlt-Sctr Inc **BIT**	14.89	14.88	-0.1	9.96
BlackRock Tax Muni Bd **BBN**	18.01	18.68	+3.7	7.8
DoubleLine:Oppor Crdt Fd **DBL**	14.74	14.90	+1.1	9.3
EVLmtDurIncm **EVV**	NA	10.21	NA	11.5
Franklin Ltd Dur Income **FTF**	7.20	6.46	-10.3	12.2
J Han Investors **JHI**	NA	13.18	NA	9.9
MFS Charter **MCR**	6.92	6.78	-2.0	0.0
NuvCorePlusImpact **NPCT**	12.69	10.97	-13.6	11.2
Nuveen Taxable Muni Inc **NBB**	16.82	16.66	-1.0	7.8
PIMCO Corp & Inc Oppty **PTY**	11.29	13.10	+16.0	10.8
PIMCO Corp & Inc Strat **PCN**	11.58	12.87	+11.1	10.6
PIMCOHiInco **PHK**	4.71	4.97	+5.5	11.7
PIMCO IncmStrFd **PFL**	8.20	8.55	+4.3	11.5
PIMCO IncmStrFd II **PFN**	7.22	7.69	+6.5	11.3
Putnam Prem Inc **PPT**	4.02	3.69	-8.2	8.4
Western Asset Dvsfd Inc **WDI**	15.11	13.81	-8.6	10.5
World Income Funds				
abrdn AP IncFd **FAX**	3.13	2.63	-16.0	12.6
MS EmMktDomDebt **EDD**	5.17	4.43	-14.3	7.3
PIMCO Access Income **PAXS**	16.54	16.67	+0.8	NS
PIMCO Dynamic Income **PDI**	18.75	20.02	+6.8	13.3
PIMCO Dynamic Inc Opp **PDO**	14.64	14.90	+1.8	12.4
PIMCO Stratg Inc **RCS**	4.48	5.47	+22.1	11.7
Templeton Em Inc **TEI**	5.60	5.10	-8.9	13.1
Templtn Glbl Inc **GIM**	4.64	4.29	-7.5	9.4
WstAstEmergDebt **EMD**	10.27	9.11	-11.3	11.0
Western Asset Gl Cr D Op **GDO**	13.36	13.00	-2.7	9.3
National Muni Bond Funds				
AllBerNatlMunInc **AFB**	12.24	10.83	-11.5	5.2
BlckRk Inv Q Mun **BKN**	12.99	12.72	-2.1	6.1
BlackRock Muni 2030 Tgt **BTT**	23.38	21.52	-8.0	3.4
BlackRock Muni **BFK**	11.39	10.20	-10.4	5.8
BlackRock Muni II **BLE**	11.81	10.60	-10.2	5.8
BlckRk Muni Inc Qly **BYM**	12.62	11.72	-7.1	5.6
BR MuniAssets Fd **MUA**	11.57	10.65	-8.0	5.1
BR MH Qly 2 **MUE**	11.32	10.48	-7.4	5.8
BR MuniHoldngs **MHD**	13.34	11.99	-10.1	5.7
BR MuniVest Fd **MVF**	7.80	6.97	-10.6	5.5
BR MuniVest 2 **MVT**	12.04	10.87	-9.7	5.7
BR MuniYield Fd **MYD**	11.91	10.65	-10.6	5.5
BR MuniYield Qlty **MQY**	13.02	11.80	-9.4	5.8
BR MuniYld Qlty2 **MQT**	11.53	10.69	-7.3	5.8
BR MuniYld Qly 3 **MYI**	12.33	11.05	-10.4	5.3
BNY Mellon Muni Bd Infra **DMB**	11.89	11.30	-5.0	5.5
BNY Mellon Str Muni Bond **DSM**	6.63	5.89	-11.2	5.9
BNY Mellon Strat Muni **LEO**	6.90	6.26	-9.3	5.6
Del Inv Natl Muni Income **VFL**	11.98	11.55	-3.6	4.7
DWS Muni Inc **KTF**	10.05	8.93	-11.1	4.7
EVMuniBd **EIM**	11.45	10.25	-10.5	5.0
EVMuniIncm **EVN**	11.34	10.19	-10.1	5.4
EVNatMuniOpp **EOT**	18.17	16.67	-8.3	4.4
InvAdvMuIncTrII **VKI**	9.67	8.82	-8.8	5.9
Invesco MuniOp **OIA**	6.38	6.65	+4.2	5.3
InvescoMuOppTr **VMO**	10.81	9.76	-9.7	5.8
InvescoMuTr **VKQ**	10.84	9.83	-9.3	5.7
InvescoQual Inc **IQI**	10.91	9.92	-9.1	5.6
InvTrInvGrMu **VGM**	11.16	10.03	-10.1	5.6
InvescoValMunInc **IIM**	13.37	12.28	-8.2	5.8
MAINSTAY:MK DEFTR MUN OP **MMD**	17.09	16.94	-0.9	6.0
NeubrgrBrm **NBH**	12.01	11.34	-5.6	5.8
Nuveen AMT-Fr Mu Val **NUW**	14.97	13.68	-8.6	3.4
Nuveen AMT-Fr Qlty Mun I **NEA**	12.62	11.51	-8.8	5.4
Nuveen AMT-Fr Mu CI **NVG**	13.53	12.71	-6.1	6.0
Nuveen Dyn Muni Opp **NDMO**	11.14	11.04	-0.9	8.5
Nuveen Int Dur Mun Term **NID**	13.43	13.02	-3.1	4.2
Nuveen Mu Crdt Opps **NMCO**	12.18	12.20	+0.2	6.1
Nuv Muni Credit Income **NZF**	13.48	12.29	-8.8	5.8
NuvMuniHiIncOpp **NMZ**	11.15	11.23	+0.7	6.6
Nuveen Muni Val **NUV**	9.24	8.66	-6.3	3.8
Nuveen Quality Muni Inc **NAD**	12.98	11.66	-10.2	5.6
Nuveen Sel TF **NXP**	14.38	13.54	-5.8	4.0
PIMCO MuniInc **PMF**	9.84	10.93	+11.1	6.0
PIMCOMuniIncII **PML**	9.07	9.57	+5.5	7.4
Pimco Muni III **PMX**	8.30	9.30	+12.0	5.9
PioneerHiIncAdv **MAV**	9.28	8.36	-9.9	5.9
PionrMuniHiIncOppty **MIO**	12.56	11.50	-8.4	6.2
PioneerMunHiIcm **MHI**	10.03	8.96	-10.7	5.5
Putnam Mgd Inc **PMM**	6.51	6.47	-0.6	5.7
Putnam Muni Opp **PMO**	11.07	11.10	+0.3	5.6
RiverNorth Flx Mu Inc II **RFMZ**	15.45	14.19	-8.2	8.0
RiverNorth Mgd Dur Mun I **RMM**	16.40	15.23	-7.1	7.1
Western Asset Mgd Muni **MMU**	11.53	10.37	-10.1	4.4
Single State Muni Bond				
BlackRock CA Mun **BFZ**	12.80	10.95	-14.5	4.5
BR MH CA Qly Fd Inc **MUC**	12.59	11.04	-12.3	5.7
BR MH NJ Qly **MUJ**	12.81	12.10	-5.5	6.1
BR MH NY Qly **MHN**	11.88	10.54	-11.3	5.5
BR MuniYld MI Qly **MIY**	12.80	11.70	-8.6	5.5
BR MuniYld NY Qly **MYN**	11.46	10.16	-11.4	5.3
BlackRock NY Mun **BNY**	11.75	10.51	-10.6	5.4
EVCAMuniBd **EVM**	10.34	8.88	-14.2	4.9
InvCaValMuIncTr **VCV**	11.10	10.01	-9.8	5.2
InvPAValMuIncTr **VPV**	11.68	10.11	-13.4	5.4
InvTrInvGrNYMu **VTN**	11.81	10.64	-9.9	4.9
Nuveen CA AMT-F Qual MI **NKX**	13.25	12.07	-8.9	5.2
Nuveen CA Val **NCA**	9.30	8.45	-9.1	3.6
NuveenCAQtyMuInc **NAC**	12.75	11.17	-12.4	5.4
NuvNJ Qual Muni Inc **NXJ**	13.47	11.63	-13.7	5.3
Nuveen NY AMT/Fr Qual MI **NRK**	11.99	10.60	-11.6	5.3
Nuveen NY Qual Muni Inc **NAN**	12.46	10.97	-12.0	5.2
Nuveen OH Qual Muni Inc **NUO**	14.61	12.80	-12.4	3.9
Nuveen PA Qual Muni Inc **NQP**	13.39	11.47	-14.3	4.9
Nuveen VA Qlty Mun Inc **NPV**	12.35	11.96	-3.2	4.7
PIMCO CA **PCQ**	10.60	16.55	+56.1	4.8
PIMCOCAMuniII **PCK**	6.71	6.90	+2.8	5.5

Fund (SYM)	NAV	Close	Prem /Disc	52 wk Ttl Ret
General Equity Funds				
Alternative Strategies:I	5.28	NA	NA	-15.5
BOW RIVER CAPTL EVGN;II	NA	NA	NA	N
Specialized Equity Funds				
Apollo Diversified RE:A	29.12	NA	NA	6.3
Apollo Diversified RE:C	27.58	NA	NA	5.5
Apollo Diversified RE:I	29.66	NA	NA	6.5
ArrowMark Financial Corp **BANX**	NA	17.59	NA	NA
Bluerock Total Inc+ RE:A	36.87	NA	NA	15.4
Bluerock Total Inc+ RE:C	34.59	NA	NA	14.6
Bluerock Total Inc+ RE:I	37.76	NA	NA	15.7
Bluerock Total Inc+ RE:L	36.36	NA	NA	15.1
Bluerock Total Inc+ RE:M	34.68	NA	NA	NS
CBRE GlbRlEst **IGR**	6.65	6.35	-4.5	-25.3
CIM RA&C A	25.70	NA	NA	4.4
CIM RA&C C	25.21	NA	NA	3.7
CIM RA&C I	25.86	NA	NA	4.7
CIM RA&C L	25.52	NA	NA	4.1
Clarion Partners REI D	12.61	NA	NA	11.8
Clarion Partners REI I	12.62	NA	NA	12.0
Clarion Partners REI S	12.63	NA	NA	11.1
Clarion Partners REI T	12.60	NA	NA	11.1
First Tr Real Assets;I	NA	NA	NA	NS
GS Real Est Div Inc:A	10.26	NA	NA	3.5
GS Real Est Div Inc:C	10.24	NA	NA	2.6
GS Real Est Div Inc:I	10.77	NA	NA	3.8
GS Real Est Div Inc:L	10.27	NA	NA	3.2
GS Real Est Div Inc:P	10.78	NA	NA	3.8
GS Real Est Div Inc:W	10.44	NA	NA	3.5
NexPointRlEstStrat;A	20.85	NA	NA	12.5
NexPointRlEstStrat;C	21.09	NA	NA	11.6
NexPointRlEstStrat;Z	21.11	NA	NA	12.8
PIMCO Flexible REI;Inst	10.04	NA	NA	NS
PREDEX;I	31.45	NA	NA	14.9
PREDEX;T	31.65	NA	NA	14.7
PREDEX;W	31.65	NA	NA	14.7
Principal Dvs Sel RA A	27.00	NA	NA	2.8
Principal Dvs Sel RA Ins	27.08	NA	NA	3.0
Principal Dvs Sel RA Y	27.27	NA	NA	3.2
The Private Shares;A	42.47	NA	NA	2.8
The Private Shares;I	43.04	NA	NA	3.0
The Private Shares;L	41.93	NA	NA	2.5
Thirdline Real EstateI	10.06	NA	NA	5.3
USQ Core Real Estate:I	29.92	NA	NA	12.6
USQ Core Real Estate:IS	29.97	NA	NA	12.7
Versus Cap MMgr RE Inc:I	29.94	NA	NA	NE
Versus Capital Real Asst	27.25	NA	NA	6.2
Wildermuth:A	13.07	NA	NA	-2.7
Wildermuth:C	12.35	NA	NA	-3.5
Wildermuth:I	13.22	NA	NA	-2.4
Income & Preferred Stock Funds				
Alpha Alternative Assets	6.55	NA	NA	-19.4
Calamos L/S Eqty and DI **CPZ**	18.64	16.37	-12.2	0.1
Flat Rock Opportunity	18.86	NA	NA	-3.3
Lord Abbett Spec Sit I:A	8.94	NA	NA	-5.4
Lord Abbett Spec Sit I:I	8.94	NA	NA	-2.8
Variant Altrntv Inc:Inst	28.79	NA	NA	8.5
Variant Impact;Instl	26.74	NA	NA	11.7
Convertible Sec's. Funds				
Calmos Dyn Conv and Inc **CCD**	20.95	22.25	+6.2	-21.7
World Equity Funds				
ACAP Strategic:A	14.73	NA	NA	-34.4
ACAP Strategic:W	10.95	NA	NA	-33.9
CalamosGlbTotRet **CGO**	10.36	9.61	-7.2	-24.1
Primark Priv Eq Inv:I	11.29	NA	NA	-9.0
Sweater Cashmere	20.13	NA	NA	NS
Thornburg Inc Bldr Opps **TBLD.O**	16.95	14.63	-13.7	-7.9
VirtusTotalRetFd **ZTR**	7.53	6.97	-7.4	-6.1

Fund (SYM)	NAV	Close	Prem /Disc	12 Mo Yld
U.S. Mortgage Bond Funds				
Arca US Treasury	NA	NA	NA	0.0
Ellington Inc Opp:A	8.38	NA	NA	8.8
Ellington Inc Opp:M	8.27	NA	NA	9.6
Loan Participation Funds				
1WS Credit Income;A2	18.89	NA	NA	6.8
1WS Credit Income;Inst	19.08	NA	NA	6.8
AlphCntrc Prime Merid In	8.97	NA	NA	11.7
Axonic Alternative Inc	20.19	NA	NA	12.5
Blackstone FR EI D	20.93	NA	NA	6.9
Blackstone FR EI I	20.90	NA	NA	7.1
Blackstone FR EI T	20.86	NA	NA	6.6
Blackstone FR EI T-I	21.38	NA	NA	6.6
Blackstone FR EI U	21.79	NA	NA	6.6
Bluerock HI Inst Crd:A	24.11	NA	NA	NS
Bluerock HI Inst Crd:C	24.10	NA	NA	NS
Bluerock HI Inst Crd:F	24.10	NA	NA	NS
Bluerock HI Inst Crd:I	24.11	NA	NA	NS
BNYM Alcntr Glb MS Cr Fd	85.15	NA	NA	9.1
CliffwaterClFd;I	10.62	NA	NA	6.5
CliffwaterElFd;A	NA	NA	NA	7.5
CNR Strategic Credit	8.11	NA	NA	20.5
Eagle Point Instl Income	NA	NA	NA	NS
Equalize Community Dev	9.40	NA	NA	2.8
FedProj&TrFinanceTendr	9.98	NA	NA	2.9
Flat Rock Core Income	19.93	NA	NA	6.8
InvDYCrOpp:A	11.26	NA	NA	7.9
InvDYCrOpp:R6	11.26	NA	NA	8.2
InvDYCrOpp:Y	11.25	NA	NA	8.2
Invesco Sr Loan A	5.96	NA	NA	6.8
Invesco Sr Loan C	5.97	NA	NA	6.0
Invesco Sr Loan IB	5.96	NA	NA	7.1
Invesco Sr Loan IC	5.95	NA	NA	6.9
Invesco Sr Loan Y	5.96	NA	NA	7.1
OFS Credit Company **OCCI**	NA	9.65	NA	NA
Yieldstreet Prism	NA	NA	NA	8.0
High Yield Bond Funds				
Apollo Diversified Cd:A	NA	NA	NA	7.0
Apollo Diversified Cd:C	NA	NA	NA	7.0
Apollo Diversified Cd:F	NA	NA	NA	7.4
Apollo Diversified Cd:I	NA	NA	NA	7.0
Apollo Diversified Cd:L	NA	NA	NA	6.9
Apollo Diversified Cd:M	NA	NA	NA	6.9
Opprtnstc Crdt Intrvl;I	10.10	NA	NA	NS
PIMCO Flexible Cr I;A-1	7.58	NA	NA	9.6
PIMCO Flexible Cr I;A-2	7.58	NA	NA	9.6
PIMCO Flexible Cr I;A-3	7.58	NA	NA	9.3
PIMCO Flexible Cr I;A-4	7.58	NA	NA	9.3
PIMCO Flexible Cr I;Inst	7.58	NA	NA	10.1
WA Middle Mkt Inc	560.10	NA	NA	6.0
Other Domestic Taxable Bond Funds				
AFA MMC;Inst	9.70	NA	NA	5.9
AFA MMC;Inv	9.67	NA	NA	5.8
Alternative Credit Inc:A	10.14	NA	NA	6.8
Alternative Credit Inc:C	10.25	NA	NA	6.0
Alternative Credit Inc:I	10.16	NA	NA	7.1
Alternative Credit Inc:L	10.13	NA	NA	6.6
Alternative Credit Inc:W	10.13	NA	NA	6.8
Angel Oak Str Crdt:FI	20.37	NA	NA	NS
Angel Oak Str Crdt:Inst	20.37	NA	NA	14.5
BR Credit Strat;A	8.60	NA	NA	6.7
BR Credit Strat;Inst	8.58	NA	NA	7.6
BR Credit Strat;U	8.60	NA	NA	6.7
BR Credit Strat;W	8.60	NA	NA	6.7
BlackRock Mlt-Sctr Oppty	68.81	NA	NA	9.4
BlackRock Mlt-Sec Opp II	71.25	NA	NA	8.9
CION Ares Dvsfd Crdt;A	NA	NA	NA	5.8
CION Ares Dvsfd Crdt;C	NA	NA	NA	5.8
CION Ares Dvsfd Crdt;I	NA	NA	NA	5.9
CION Ares Dvsfd Crdt;L	NA	NA	NA	5.9
CION Ares Dvsfd Crdt;U	NA	NA	NA	5.7
CION Ares Dvsfd Crdt:U2	NA	NA	NA	5.7
CION Ares Dvsfd Crdt;W	NA	NA	NA	5.9
CNR Select Strategies	12.38	NA	NA	0.0
First Eagle Crdt Opps A	23.91	NA	NA	7.3
First Eagle Crdt Opps A2	23.91	NA	NA	NS
First Eagle Crdt Opps I	23.87	NA	NA	7.9
First Trust Private Cr;I	9.93	NA	NA	NS
Franklin BSP Pvt Cr:A	10.07	NA	NA	NS
Franklin BSP Pvt Cr:Adv	10.08	NA	NA	NS
FS Credit Income;A	NA	NA	NA	6.1
FS Credit Income;I	NA	NA	NA	6.3
FS Credit Income;T	NA	NA	NA	5.8
FS Credit Income;U	NA	NA	NA	5.6
FS Credit Income;U-2	NA	NA	NA	6.1
GL Beyond Income	0.43	NA	NA	NE
KKR CREDIT OPPTY;D	NA	NA	NA	10.2
KKR CREDIT OPPTY;I	NA	NA	NA	9.3
KKR CREDIT OPPTY;T	NA	NA	NA	8.4
KKR CREDIT OPPTY;U	NA	NA	NA	8.5
Palmer Square Opp Inc	16.55	NA	NA	6.9
The Finite Solar Finance	9.84	NA	NA	NS
Thrivent Church Ln&Inc:S	9.16	NA	NA	3.3
World Income Funds				
BlueBay Destra Itl E:A	24.23	NA	NA	14.4
BlueBay Destra Itl E:I	24.25	NA	NA	14.7
BlueBay Destra Itl E:L	24.20	NA	NA	14.2
BlueBay Destra Itl E:T	24.11	NA	NA	14.1
Carlyle Tact Pvt Cred:A	NA	NA	NA	7.7
Carlyle Tact Pvt Cred:I	NA	NA	NA	8.2
Carlyle Tact Pvt Cred:L	NA	NA	NA	7.7
Carlyle Tact Pvt Cred:M	NA	NA	NA	7.4
Carlyle Tact Pvt Cred:N	NA	NA	NA	8.4
Carlyle Tact Pvt Cred:U	NA	NA	NA	NS
Carlyle Tact Pvt Cred:Y	NA	NA	NA	8.0
Lord Abbett Cred Opps Fd	9.07	NA	NA	7.6
Lord Abbett Cred Opps Fd	9.07	NA	NA	8.4
Lord Abbett Crd Op:U	9.07	NA	NA	7.6
Oaktree Dvsfd Income;D	8.89	NA	NA	3.6
PIMCO Flexible EM I;Inst	8.34	NA	NA	NS
National Muni Bond Funds				
Ecofin Tax-Adv Soc Impct	9.33	NA	NA	4.9
Lind Cap Pt Mun Cred Inc	8.87	NA	NA	NS
Nuveen En HY Muni Bd:A1	7.31	NA	NA	4.8
Nuveen En HY Muni Bd:A2	7.32	NA	NA	NS
Nuveen En HY Muni Bd:I	7.31	NA	NA	5.7
PIMCO Flex Mun Inc;A-3	9.94	NA	NA	2.7
PIMCO Flex Mun Inc:A1	9.94	NA	NA	3.0
PIMCO Flex Mun Inc;A2	9.94	NA	NA	3.0
PIMCO Flex Mun Inc;Inst	9.94	NA	NA	3.5
Single State Muni Bond				
PIMCO CA FMI;Inst	9.95	NA	NA	NS

A Week in the Life of the DJIA

A look at how the Dow Jones Industrial Average component stocks did in the past week and how much each moved the index. The DJIA gained 82.85 points, or 0.24%, on the week. A $1 change in the price of any DJIA stock = 6.59-point change in the average. To date, a $1,000 investment on Dec. 31 in each current DJIA stock component would have returned $29,159, or a loss of 2.80%, on the $30,000 investment, including reinvested dividends.

The Week's Action: Pct chg (%)	Stock price change	Point chg in average*	Company	Symbol	Close	$1,000 Invested (year-end '21)
5.89	6.24	41.13	**Nike**	NKE	$112.20	$680
3.04	7.53	49.63	**Microsoft**	MSFT	255.02	765
2.69	1.30	8.57	**Cisco**	CSCO	49.70	809
2.65	1.66	10.94	**Coca-Cola**	KO	64.35	1,119
2.65	3.89	25.64	**Procter & Gamble**	PG	150.61	944
2.53	4.51	29.72	**Boeing**	BA	182.87	908
2.36	2.54	16.74	**Merck**	MRK	110.04	1,472
1.81	3.87	25.51	**Visa**	V	217.66	1,012
1.69	2.60	17.14	**American Express**	AXP	156.75	970
0.93	1.64	10.81	**Johnson & Johnson**	JNJ	178.88	1,073
0.62	1.77	11.67	**Amgen**	AMGN	285.51	1,309
0.57	0.56	3.69	**Walt Disney**	DIS	99.43	642
0.49	1.61	10.61	**Home Depot**	HD	327.99	810
0.33	0.63	4.15	**Travelers**	TRV	189.54	1,231
0.24	0.07	0.46	**Intel**	INTC	29.41	594
0.20	0.30	1.98	**IBM**	IBM	148.67	1,168
0.18	0.43	2.83	**Caterpillar**	CAT	236.13	1,169
0.10	0.15	0.99	**Walmart**	WMT	153.22	1,072
–0.02	–0.01	–0.07	**Dow**	DOW	51.55	955
–0.20	–0.30	–1.98	**Apple**	AAPL	147.81	837
–0.27	–1.46	–9.62	**UnitedHealth Group**	UNH	536.16	1,082
–0.43	–0.18	–1.19	**Walgreens**	WBA	41.48	833
–0.44	–0.97	–6.39	**Honeywell**	HON	219.08	1,072
–0.58	–1.60	–10.55	**McDonald's**	MCD	273.40	1,043
–1.16	–1.58	–10.41	**JPMorgan Chase**	JPM	135.16	881
–1.45	–2.67	–17.60	**Chevron**	CVX	181.03	1,598
–1.59	–2.05	–13.51	**3M**	MMM	126.99	746
–2.13	–8.28	–54.57	**Goldman Sachs**	GS	380.58	1,021
–2.15	–0.84	–5.54	**Verizon**	VZ	38.18	775
–5.73	–8.79	–57.93	**salesforce.com**	CRM	144.56	569

*Based on Composite price. DJIA is calculated on primary-market price.
Source: Dow Jones Market Data; FactSet.

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CLASS ACTION

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

LOGAN HESSEFORT, Indvidually and on Behalf of All Others Similary Situated, Plaintiff, vs. SUPER MICRO COMPUTER, INC., et al., Defendants.

Lead Case No. 4:18-cv-00838-JST

CLASS ACTION

SUMMARY NOTICE

IF YOU PURCHASED OR ACQUIRED SUPER MICRO COMPUTER, INC. ("SUPER MICRO") COMMON STOCK FROM AUGUST 5, 2016 THROUGH JANUARY 30, 2018, INCLUSIVE (THE "CLASS PERIOD"), YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT. CERTAIN PERSONS ARE EXCLUDED FROM THE DEFINITION OF THE CLASS AS SET FORTH IN THE STIPULATION OF SETTLEMENT.

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED BY A CLASS ACTION LAWSUIT PENDING IN THIS COURT.

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and Order of the United States District Court for the Northern District of California, Oakland Division, that the above-captioned litigation (the "Litigation") has been certified as a class action for the purposes of settlement only and that a Settlement has been proposed for $18,250,000.00 in cash. A hearing will be held on March 2, 2023, at 2:00 p.m., before the Honorable Jon S. Tigar, via Zoom at the link available at https://cand.uscourts.gov/judges/tigar-jon-s-jst/, for the purpose of determining whether: (1) the proposed Settlement should be approved by the Court as fair, reasonable and adequate; (2) the proposed Plan of Allocation for distribution of the Settlement proceeds is fair, reasonable and adequate and therefore should be approved; and (3) the application of Lead Counsel for the payment of attorneys' fees and expenses from the Settlement Fund, including interest earned thereon, should be approved.

IF YOU ARE A MEMBER OF THE CLASS DESCRIBED ABOVE, YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THE LITIGATION, AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT FUND. If you have not received a detailed Notice of Pendency and Proposed Settlement of Class Action (the "Notice") and a copy of the Proof of Claim Form, you may obtain a copy of these documents by contacting the Claims Administrator: *Super Micro Securities Settlement*, Claims Administrator c/o Gilardi & Co. LLC, P.O. Box 6181, Novato, CA 94948-6181; 1-888-859-1906. You may also obtain copies of the Stipulation of Settlement, Notice and Proof of Claim at www.SuperMicroSecuritiesSettlement.com.

If you are a Class Member, to be eligible to share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim by mail postmarked no later than February 27, 2023, or submit it online by that date. If you are a Class Member and do not submit a valid Proof of Claim, you will not be eligible to share in the distribution of the Net Settlement Fund, but you will still be bound by any judgment entered by the Court in this Litigation (including the releases provided for therein).

To exclude yourself from the Class, you must mail a written request for exclusion so that it is received by February 9, 2023, in accordance with the instructions set forth in the Notice. If you are a Class Member and do not exclude yourself from the Class, you will be bound by any judgment entered by the Court in this Litigation (including the releases provided for therein) whether or not you submit a Proof of Claim. If you submit a written request for exclusion, you will have no right to recover money pursuant to the Settlement.

Any objection to the proposed Settlement, the Plan of Allocation of Settlement proceeds, or the fee and expense application must be filed with the Court no later than February 9, 2023.

PLEASE DO NOT CONTACT THE COURT, THE CLERK'S OFFICE, DEFENDANTS, OR DEFENDANTS' COUNSEL REGARDING THIS NOTICE. If you have any questions about the Settlement, or your eligibility to participate in the Settlement, you may contact Lead Counsel at the following address or by calling 1-800-449-4900:

ROBBINS GELLER RUDMAN
& DOWD LLP
ELLEN GUSIKOFF STEWART, ESQ.
655 West Broadway, Suite 1900
San Diego, CA 92101
settlementinfo@rgrdlaw.com

DATED: November 8, 2022

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION

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Insider-Trading Spotlight

Trading by 'insiders' of a corporation, such as a company's CEO, vice president or director, potentially conveys new information about the prospects of a company. Insiders are required to report large trades to the SEC within two business days. Here's a look at the biggest individual trades by insiders, based on data received by Refinitiv on December 2, and year-to-date stock performance of the company

KEY: B: beneficial owner of more than 10% of a security class **CB:** chairman **CEO:** chief executive officer **CFO:** chief financial officer **CO:** chief operating officer **D:** director **DO:** director and beneficial owner **GC:** general counsel **H:** officer, director and beneficial owner **I:** indirect transaction filed through a trust, insider spouse, minor child or other **O:** officer **OD:** officer and director **P:** president **UT:** unknown **VP:** vice president Excludes pure options transactions

Biggest weekly individual trades

Based on reports filed with regulators this past week

Date(s)	Company	Symbol	Insider	Title	No. of shrs in trans (000s)	Price range ($) in transaction	$ Value (000s)	Close ($)	Ytd (%)
Buyers									
Nov. 28-30	**Amerco**	**UHAL**	E. Shoen	PI	473	58.86-62.00	**28,232**	66.84	-13.8
Nov. 28-30			M. Shoen	BI	473	58.86-62.00	**28,232**		
Nov. 23	**Energy Transfer**	**ET**	K. Warren	OD	1,300	12.39	**16,107**	12.53	52.2
Nov. 22			K. Warren	OD	500	12.36	**6,180**		
Nov. 28	**TD Holdings**	**GLG**	R. Ouyang	CEO	10,000	1.15	**11,500**	1.24	-40.3
Nov. 28			S. Zhang	B	10,000	1.15	**11,500**		
Nov. 17	**Tenaya Therapeutics**	**TNYA**	E. Casdin	DI	2,492	2.60	**6,479**	2.48	-86.9
Nov. 22-23	**IAC**	**IAC**	M. Eisner	D	106	46.78-47.91	**5,007**	52.92	-59.5
Nov. 29	**Ivanhoe Electric**	**IE**	R. Friedland	OD	423	9.85	**4,164**	11.82	n.a.
Nov. 25	**Ryan Specialty Holdings**	**RYAN**	P. Ryan	CEOI	86	39.17	**3,376**	41.99	4.1
Nov. 21	**Biodesix**	**BDSX**	M. Strobeck	D	2670*	1.15	**3,070**	1.53	-71.1
Nov. 28	**Prologis**	**PLD**	D. O Connor	DI	9	114.13	**1,027**	116.94	-30.5
Nov. 30	**OmniAb**	**OABI**	M. Foehr	CEO	300	3.39	**1,016**	3.97	-60.3
Dec. 1	**Live Nation Entertainment**	**LYV**	J. Iovine	DI	14	73.28	**1,007**	73.92	-38.2
Nov. 30	**DIRTT Environmental Solutions**	**DRTT**	A. English	DOI	3,125	.32	**1,000**	0.29	-86.7
Nov. 29	**Acer Therapeutics**	**ACER**	C. Schelling	CEO	820	1.22	**1,000**	1.50	-34.2
Nov. 30	**Hillman Solutions**	**HLMN**	D. Cahill	CEO	129	7.71	**994**	8.60	-20.0
Nov. 29	**MidWestOne Financial Group**	**MOFG**	C. Reeves	CEOI	25	34.00-34.50	**857**	34.74	7.3
Sellers									
Nov. 28	**Best Buy**	**BBY**	R. Schulze	BI	366	81.90-82.22	**29,999**	86.60	-14.8
Nov. 28-29	**Chevron**	**CVX**	J. Johnson	O	146	178.64-181.77	**26,251**	181.03	54.3
Nov. 28	**Airbnb**	**ABNB**	J. Gebbia	DO	269*	94.92-98.17	**25,770**	101.00	-39.3
Nov. 23	**Roblox**	**RBLX**	D. Baszucki	CEO	650*	31.85-32.18	**20,705**	33.99	-67.1
Nov. 28-30	**Applovin**	**APP**	V. Shikin	CT	1,286	13.51-14.32	**17,612**	14.28	-84.9
Nov. 29	**Mettler-Toledo International**	**MTD**	O. Filliol	D	10	1415.49-1435.04	**14,565**	1486.10	-12.4
Nov. 23-25	**MACOM Technology Solutions Holdings**	**MTSI**	J. Ocampo	DOI	166	68.78-69.14	**11,422**	68.77	-12.2
Nov. 28-30	**Pinterest**	**PINS**	B. Silbermann	H	450	24.28-25.12	**11,021**	24.86	-31.6
Nov. 22-23	**Camping World Holdings**	**CWH**	M. Lemonis	CEO	367	27.55-28.19	**10,126**	27.72	-31.4
Nov. 23	**Regeneron Pharmaceuticals**	**REGN**	D. Van Plew	O	12	735.57-748.17	**8,868**	766.39	21.4
Nov. 25	**Moderna**	**MRNA**	S. Bancel	CEO	50*	175.01-178.13	**8,792**	182.35	-28.2
Nov. 23			S. Bancel	CEO	40	175.41-179.27	**7,048**		
Nov. 29-Dec. 1	**Harmony Biosciences Holdings**	**HRMY**	J. Nielsen	DI	130	57.82-60.00	**7,687**	60.48	41.8
Nov. 23	**PTC**	**PTC**	B. Moret	DI	58	124.06-125.40	**7,212**	126.47	4.4
Nov. 25			B. Moret	DI	58	123.23-124.84	**7,200**		
Nov. 28			B. Moret	DI	48	122.86-124.77	**5,920**		
Nov. 28	**Mirati Therapeutics**	**MRTX**	C. Baum	P	69	100.00	**6,926**	96.25	-34.4
Nov. 30	**Neurocrine Biosciences**	**NBIX**	E. Benevich	O	50	125.90	**6,295**	126.81	48.9

* Half the transactions were indirect **Two day transaction
p - Pink Sheets

Buying and selling by sector

Based on actual transaction dates in reports received this past week

Sector	Buying	Selling	Sector	Buying	Selling
Basic Industries	53,880	11,631,967	**Finance**	8,823,762	47,892,908
Capital Goods	166,764	25,164,118	**Health care**	12,268,701	46,853,979
Consumer durables	18,291	4,721,453	**Public Utilities**	78,383	3,454,539
Consumer non-durables	427,553	8,057,006	**Technology**	6,674,518	161,323,090
Consumer services	1,676,292	60,413,969	**Transportation**	298,606	1,669,410
Energy	32,350	33,176,218			

Sources: Refinitiv; Dow Jones Market Data

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B&S Enterprise 715 Myrtle Ave Brooklyn, NY 718-855-8100	Barry's Appliance Center 565 Union Ave Bridgewater, NJ 732-805-9513	BKA Trading 6212A 11th Ave Brooklyn, NY 917-669-6488	Designer Appliances 208 Bellevue Ave Montclair, NJ 973-559-0888	Designer Appliances 280 Main St Bedminster, NJ 888-714-4938	Eatontown TV & Appliance 50 Highway 35 Eatontown, NJ 732-542-0400
Eli's Appliance 216 3rd St Elizabeth, NJ 201-801-1001	Flamtech 114 Bowery New York, NY 212-274-8820	GBAC 750 Stewart Ave Garden City, NY 516-222-9100	Gringer & Sons 29 1st Ave New York, NY 212-475-0600	Gringer & Sons 5074 Jericho Tpke Commack, NY 631-813-2400	Home Appliance 3050 Long Beach Rd Oceanside, NY 516-678-1190

* Buy a new 39, 38, or 36 series dishwasher from a Beko authorized dealer between 5/23/22 – 12/31/22 and receive up to $200 rebate, via a prepaid gift card. Rebate amount varies; $100 on 36 and 38 series and $200 on 39 series. Must be redeemed online or by mail and postmarked no later than 1/31/23. Limit one rebate per household. For full details and conditions, visit beko.com/us-en.com. ©2022 Beko U.S., Inc. 22BEUS068-8

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MY VICTORY IS BEING THERE FOR THE NEXT GENERATION.

After being hit by sniper fire in Afghanistan, Adam Alexander was given a five percent chance to live. Today, he talks with students about overcoming life's struggles. DAV helps veterans like Adam live their best lives, find victories, and get the benefits they've earned. DAV helps more than a million veterans each year in life-changing ways. **Support more Victories for Veterans®. GO TO DAV.ORG.**

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AMERICA'S VETERANS

MARKETS DIGEST

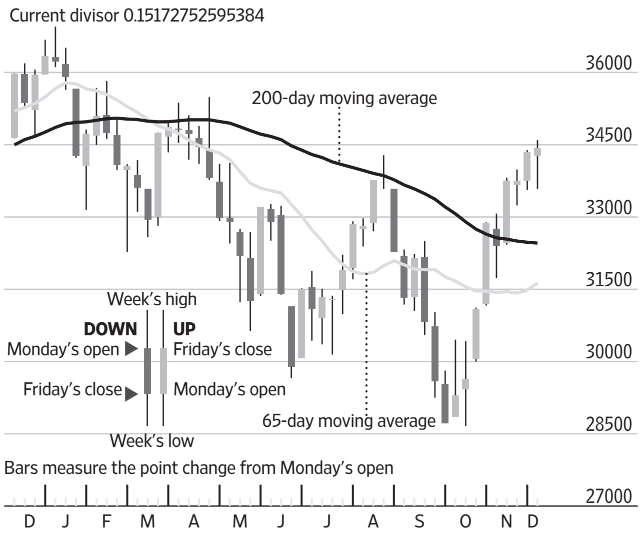
Dow Jones Industrial Average

34429.88 ▲82.85, or 0.24% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio	21.43	21.52
P/E estimate *	18.83	17.74
Dividend yield	1.99	1.99
All-time high	36799.65, 01/04/22	

Current divisor 0.15172752595384

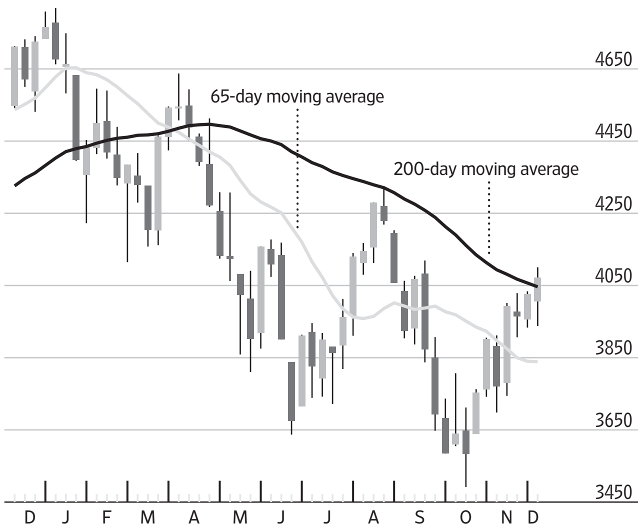


S&P 500 Index

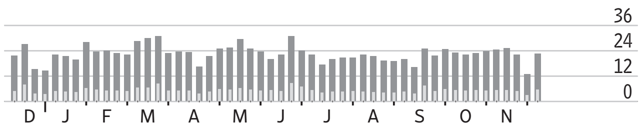
4071.70 ▲45.58, or 1.13% last week

High, low, open and close for each of the past 52 weeks

	Last	Year ago
Trailing P/E ratio *	19.65	28.06
P/E estimate *	18.36	21.42
Dividend yield *	1.66	1.31
All-time high	4796.56, 01/03/22	



NYSE weekly volume, in billions of shares



*Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; †Based on Nasdaq-100 Index

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Major U.S. Stock-Market Indexes

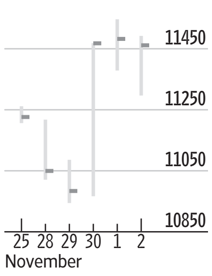
	Latest Week High	Low	Close	Net chg	% chg	52-Week Low	Close (●)	High	% chg	% chg YTD	3-yr. ann.
Dow Jones											
Industrial Average	34595.51	33583.77	**34429.88**	82.85	**0.24**	28725.51		36799.65	**-0.4**	-5.3	**7.4**
Transportation Avg	14688.11	14117.41	**14520.96**	78.38	**0.54**	11999.40		16718.54	**-9.1**	-11.9	**10.6**
Utility Average	994.69	950.55	**975.79**	3.73	**0.38**	838.99		1071.75	**6.8**	-0.5	**4.9**
Total Stock Market	41199.23	39554.83	**40933.07**	483.80	**1.20**	36056.21		48929.18	**-11.9**	-15.8	**8.7**
Barron's 400	986.19	959.77	**983.16**	3.68	**0.38**	825.73		1111.54	**-7.1**	-11.1	**11.6**
Nasdaq Stock Market											
Nasdaq Composite	11546.77	10944.37	**11461.50**	235.14	**2.09**	10321.39		15871.26	**-24.0**	-26.7	**10.2**
Nasdaq-100	12115.34	11450.34	**11994.26**	238.23	**2.03**	10690.60		16567.5	**-23.7**	-26.5	**13.0**
S&P											
500 Index	4100.51	3937.65	**4071.70**	45.58	**1.13**	3577.03		4796.56	**-10.3**	-14.6	**9.4**
MidCap 400	2598.86	2496.94	**2574.00**	14.44	**0.56**	2200.75		2865.54	**-4.7**	-9.4	**8.8**
SmallCap 600	1251.76	1201.71	**1245.36**	12.92	**1.05**	1064.45		1426.13	**-7.2**	-11.2	**8.3**
Other Indexes											
Russell 2000	1898.45	1821.47	**1892.84**	23.65	**1.27**	1649.84		2272.56	**-12.3**	-15.7	**5.6**
NYSE Composite	15854.14	15350.10	**15767.02**	161.34	**1.03**	13472.18		17353.76	**-3.6**	-8.1	**5.4**
Value Line	574.22	551.51	**571.23**	7.47	**1.33**	491.56		680.36	**-10.9**	-15.0	**2.4**
NYSE Arca Biotech	5440.71	5135.40	**5434.06**	215.88	**4.14**	4208.43		5649.54	**4.0**	-1.5	**3.0**
NYSE Arca Pharma	871.69	843.69	**871.22**	23.72	**2.80**	737.84		887.27	**14.1**	5.3	**11.9**
KBW Bank	109.34	104.48	**106.40**	-1.59	**-1.47**	94.66		147.56	**-18.4**	-19.5	**-0.9**
PHLX§ Gold/Silver	125.00	113.23	**124.40**	6.14	**5.19**	91.40		167.76	**-0.9**	-6.1	**9.0**
PHLX§ Oil Service	85.93	80.19	**84.71**	1.767	**2.13**	50.23		88.37	**68.4**	60.7	**7.6**
PHLX§ Semiconductor	2841.86	2655.06	**2771.24**	19.97	**0.73**	2162.32		4039.51	**-27.2**	-29.8	**17.9**
Cboe Volatility	22.63	18.95	**19.06**	-1.44	**-7.02**	16.60		36.45	**-37.9**	10.7	**8.5**

§Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

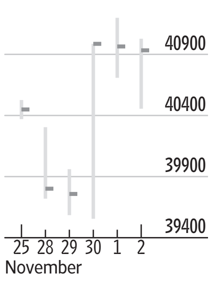
Nasdaq Composite

▲ 235.14, or 2.09% last week



DJ US TSM

▲ 483.80, or 1.20% last week



International Stock Indexes

Region/Country	Index	Latest Week Close	% chg	52-Week Range Low	Close	High	YTD % chg
World	**MSCI ACWI**	633.54	**1.34**	550.37		758.43	−16.1
	MSCI ACWI ex-USA	287.73	**1.59**	244.35		349.52	−16.4
	MSCI World	2733.03	**1.09**	2367.69		3248.12	−15.4
	MSCI Emerging Markets	973.85	**3.49**	842.76		1267.34	−21.0
Americas	**MSCI AC Americas**	1547.25	**1.14**	1363.36		1836.68	−15.3
Canada	**S&P/TSX Comp**	20485.66	**0.50**	18206.28		22087.22	−3.5
Latin Amer.	**MSCI EM Latin America**	2225.28	**3.04**	1912.59		2761.97	4.5
Brazil	**BOVESPA**	111923.93	**2.70**	96120.85		121570.15	6.8
Chile	**S&P IPSA**	3229.41	**0.71**	2667.44		3546.47	15.1
Mexico	**S&P/BMV IPC**	51234.37	**−0.84**	44626.80		56609.54	−3.8
EMEA	**STOXX Europe 600**	443.29	**0.58**	382.89		494.35	−9.1
	STOXX Europe 50	3805.46	**0.97**	3310.09		3866.60	−0.3
Eurozone	**Euro STOXX**	427.85	**0.31**	359.45		487.38	−10.6
	Euro STOXX 50	3977.90	**0.39**	3279.04		4392.15	−7.5
Austria	**ATX**	3207.50	**−1.83**	2647.43		4057.59	−16.9
Belgium	**Bel-20**	3754.22	**1.25**	3313.82		4362.21	−12.9
France	**CAC 40**	6742.25	**0.44**	5676.87		7376.37	−5.7
Germany	**DAX**	14529.39	**−0.08**	11975.55		16271.75	−8.5
Greece	**Athex Composite**	903.97	**−1.49**	779.20		971.09	1.2
Israel	**Tel Aviv**	1874.88	**−0.23**	1775.89		2071.10	−5.2
Italy	**FTSE MIB**	24621.72	**−0.39**	20353		28163	−10.0
Netherlands	**AEX**	731.04	**1.12**	630.58		805.78	−8.4
Norway	**Oslo Bors All-Share**	1386.20	**−0.71**	1238.75		1476.42	6.0
Portugal	**PSI 20**	5856.57	**−0.36**	5190.28		6349.21	5.2
South Africa	**FTSE/JSE All-Share**	74322.91	**1.60**	63263.94		77536.12	0.8
Spain	**IBEX 35**	8382.60	**−0.40**	7261.1		8933.6	−3.8
Sweden	**OMX Stockholm**	816.60	**0.41**	690.07		1045.27	−21.3
Switzerland	**Swiss Market**	11198.13	**0.27**	10072.62		12970.53	−13.0
U.K.	**FTSE 100**	7556.23	**0.93**	6826.15		7672.40	2.3
Asia-Pacific	**MSCI AC Asia Pacific**	157.88	**2.43**	134.3		196.9	−18.2
Australia	**S&P/ASX 200**	7301.50	**0.58**	6433.4		7592.8	−1.9
China	**Shanghai Composite**	3156.14	**1.76**	2886.43		3681.08	−13.3
Hong Kong	**Hang Seng**	18675.35	**6.27**	14687.02		24965.55	−20.2
India	**S&P BSE Sensex**	62868.50	**0.92**	51360.42		63284.19	7.9
Japan	**NIKKEI 225**	27777.90	**−1.79**	24717.53		29332.16	−3.5
Malaysia	**FTSE Bursa Malaysia KLCI**	1481.80	**−0.32**	1373.36		1618.54	−5.5
Singapore	**Straits Times**	3259.14	**0.45**	2969.95		3445.01	4.3
South Korea	**KOSPI**	2434.33	**−0.14**	2155.49		3029.57	−18.2
Taiwan	**TAIEX**	14970.68	**1.30**	12666.12		18526.35	−17.8

Source: FactSet; Dow Jones Market Data

Commodities and Currencies

	Last Week Close	Net chg	% Chg	YTD % chg
DJ Commodity	**1045.09**	13.32	**1.29**	10.45
Refinitiv/CC CRB Index	**276.69**	3.43	**1.26**	19.07
Crude oil, $ per barrel	**79.98**	3.70	**4.85**	6.34
Natural gas, $/MMBtu	**6.281**	-1.049	**-14.31**	68.39
Gold, $ per troy oz.	**1795.90**	41.90	**2.39**	-1.73
U.S. Dollar Index	**104.51**	-1.45	**-1.37**	8.90
WSJ Dollar Index	**97.28**	-1.64	**-1.66**	8.63
Euro, per dollar	**0.9485**	-0.013	**-1.36**	7.87
Yen, per dollar	**134.31**	-4.88	**-3.51**	16.69
U.K. pound, in dollars	**1.23**	0.020	**1.65**	-9.12

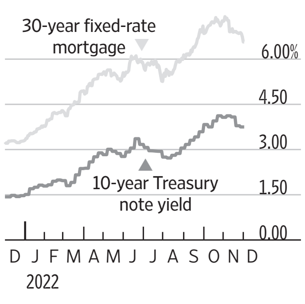
	52-Week Low	Close (●)	High	% Chg
DJ Commodity	900.72		1264.48	**16.03**
Refinitiv/CC CRB Index	220.64		329.59	**25.40**
Crude oil, $ per barrel	66.26		123.70	**20.71**
Natural gas, $/MMBtu	3.561		9.680	**52.01**
Gold, $ per troy oz.	1623.30		2040.10	**0.78**
U.S. Dollar Index	94.79		114.10	**8.73**
WSJ Dollar Index	88.95		105.14	**7.88**
Euro, per dollar	0.8730		1.0422	**7.31**
Yen, per dollar	112.81		150.15	**19.06**
U.K. pound, in dollars	1.07		1.37	**-7.12**

Go to WSJMarkets.com for free access to real-time market data.

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

30-year mortgage, Rate

Bankrate.com avg†:	**6.57%**
Farmers and Merchants Trust	**3.73%**
Chambersburg, PA	888-264-6116
Farmers State Bank	**5.50%**
Waterloo, IA	877-FSB-1879
Main Street Bank	**5.63%**
Marlborough, MA	508-481-8300
Liberty Bank Minnesota	**6.00%**
Saint Cloud, MN	320-252-1500
First Federal Savings of Lorain	**6.10%**
Lorain, OH	440-282-6188

Interest rate	Yield/Rate (%) Last (●)	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	**3.75-4.00**	3.75-4.00	0.00	4.00	**2.25**
Prime rate*	**7.00**	7.00	3.25	7.00	**2.25**
Libor, 3-month	**4.73**	4.73	0.19	4.78	**2.83**
Money market, annual yield	**0.31**	0.31	0.07	0.31	**-0.26**
Five-year CD, annual yield	**2.59**	2.56	0.42	2.59	**1.17**
30-year mortgage, fixed†	**6.57**	6.85	3.21	7.41	**2.72**
15-year mortgage, fixed†	**5.92**	6.17	2.52	6.53	**2.61**
Jumbo mortgages, $647,200-plus†	**6.58**	6.87	3.21	7.44	**2.35**
Five-year adj mortgage (ARM)†	**5.43**	5.47	2.82	5.60	**0.97**
New-car loan, 48-month	**6.44**	6.69	3.41	6.69	**2.02**

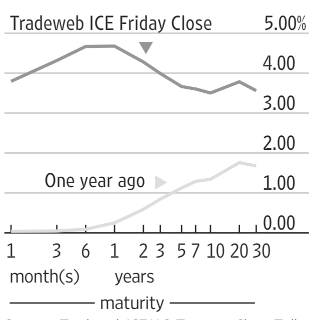
Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

Benchmark Yields and Rates

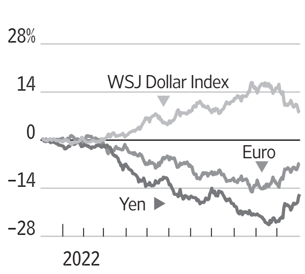
Treasury yield curve

Yield to maturity of current bills, notes and bonds



Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Sources: Tradeweb ICE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Corporate Borrowing Rates and Yields

Bond total return index	Yield (%) Last	Wk ago	Spread +/- Treasurys, in basis pts, 52-wk Range Last	Low	High	Total Return 52-wk	3-yr
U.S. Treasury, Bloomberg	**3.890**	4.140				-11.41	-2.12
U.S. Treasury Long, Bloomberg	**3.720**	3.950				-26.66	-6.09
Aggregate, Bloomberg	**4.410**	4.610	n.a.	35	69	-11.63	-2.05
Fixed-Rate MBS, Bloomberg	**4.450**	4.590	n.a.	18	88	-10.15	-2.52
High Yield 100, ICE BofA	**7.742**	7.848	380	249	552	-7.575	0.382
Muni Master, ICE BofA	**3.149**	3.326	-3	-17	10	-7.041	-0.236
EMBI Global, J.P. Morgan	**7.529**	7.861	387	322	496	-15.160	-3.413

Sources: J.P. Morgan; S&P Dow Jones Indices; Bloomberg Fixed Income Indices; ICE BofA

New to the Market

Public Offerings of Stock

IPOs in the U.S. Market

None expected this week

Lockup Expirations

Below, companies whose officers and other insiders will become eligible to sell shares in their newly public companies for the first time. Such sales can move the stock's price.

Lockup expiration	Issue date	Issuer	Symbol	Offer price($)	Offer amt ($ mil.)	Through Friday (%)	Lockup provision
Dec. 7	Dec. 7, '21	Cingulate	**CING**	6.00	25.0	**−83.9**	365 days
	June 7, '22	Phoenix Motor	**PEV**	7.50	20.0	**−77.3**	180 days

Sources: Dealogic; Dow Jones Market Data

IPO Scorecard

Performance of IPOs, most-recent listed first

Company **SYMBOL** IPO date/Offer price	Wed s close ($)	% Chg From Offer price	1st-day close	Company **SYMBOL** IPO date/Offer price	Friday's close ($)	% Chg From Offer price	1st-day close
Acrivon Thera **ACRV** Nov. 15/$12.50	12.65	**1.2**	−24.0	Aquaron Acquisition **AQUNU** Oct. 4/$10.00	10.26	**2.6**	2.4
Atour Lifestyle Hldgs **ATAT** Nov. 11/$11.00	17.69	**60.8**	37.3	dMY Squared Technology **DMYY.U** Sept. 30/$10.00	10.06	**0.6**	0.6
ASP Isotopes **ASPI** Nov. 10/$4.00	2.07	**−48.3**	−22.5	Laser Photonics **LASE** Sept. 30/$5.00	2.26	**−54.8**	−12.4
Plutonian Acquisition **PLTNU** Nov. 10/$10.00	10.09	**0.9**	0.6	Qomolangma Acquisition **QOMOU** Sept. 30/$10.00	10.09	**0.9**	1.0
Snail **SNAL** Nov. 10/$5.00	2.57	**−48.6**	14.2	Global Star Acquisition **GLSTU** Sept. 20/$10.00	10.14	**1.4**	1.7
Mobileye Global **MBLY** Oct. 26/$21.00	31.94	**52.1**	10.3	Nexalin Technology **NXL** Sept. 16/$4.15	2.35	**−43.4**	4.4
Prime Medicine **PRME** Oct. 20/$17.00	17.38	**2.2**	13.1	Corebridge Financial **CRBG** Sept. 15/$21.00	22.06	**5.0**	6.4
Hudson Acquisition I **HUDAU** Oct. 14/$10.00	10.16	**1.6**	1.5	Third Harmonic Bio **THRD** Sept. 15/$17.00	20.99	**23.5**	6.7
TenX Keance Acquisition **TENKU** Oct. 14/$10.00	10.18	**1.8**	1.4	Wearable Devices **WLDS** Sept. 13/$4.25	0.62	**−85.4**	−78.2
Spring Valley Acquisition II **SVIIU** Oct. 13/$10.00	10.30	**3.0**	1.9	EF Hutton Acquisition I **EFHTU** Sept. 9/$10.00	10.06	**0.5**	1.1

Sources: Dow Jones Market Data; FactSet

Public and Private Borrowing

Treasurys

Monday, December 5

Auction of 13 and 26 week bills; announced on December 1; settles on December 8

Thursday, December 8

Auction of 4 and 8 week bills; announced on December 6; settles on December 13

Wednesday December 7

Auction of 17 week bill; announced on December 6; settles on December 13

Cash Prices

Friday, December 02, 2022

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Friday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	187.700
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	17.100
Metals	
Gold, per troy oz	
Engelhard industrial	1787.00
Handy & Harman base	1784.75
Handy & Harman fabricated	1981.07
LBMA Gold Price AM	*1779.60
LBMA Gold Price PM	*1803.15
Krugerrand,wholesale-e	1877.19
Maple Leaf-e	1922.09
American Eagle-e	1922.09
Mexican peso-e	2317.47
Austria crown-e	1763.78
Austria phil-e	1886.17
Silver, troy oz.	
Engelhard industrial	22.6500
Handy & Harman base	23.1660
Handy & Harman fabricated	28.9580
LBMA spot price	*£18.1900
(U.S.$ equivalent)	*22.1350
Coins,wholesale $1,000 face-a	22967
Other metals	
LBMA Platinum Price PM	*1041.0
Platinum,Engelhard industrial	1015.0
Palladium,Engelhard industrial	1894.0
Aluminum, LME, $ per metric ton	*2430.5
Copper,Comex spot	3.8480
Iron Ore, 62% Fe CFR China-s	107.3
Shredded Scrap, US Midwest-s,m	n.a.
Steel, HRC USA, FOB Midwest Mill-s	650
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.2%-v,w	79650
BMI Lithium Hydroxide, EXW China, =56.5% -v,w	79025
BMI Cobalt sulphate, EXW China, >20.5%-v,m	8190
BMI Nickel Sulphate, EXW China, >22%-v,m	5635
BMI Flake Graphite, FOB China, -100 Mesh, 94-95% -v,m	813
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	0.7425
Cotton,1 1/16 std lw-mdMphs-u	0.8395
Cotlook 'A' Index-t	*102.90
Hides,hvy native steers piece fob-u	n.a.

	Friday
Wool,64s,staple,Terr del-u,w	n.a.
Grains and Feeds	
Barley,top-quality Mnpls-u	n.a.
Bran,wheat middlings, KC-u,w	253
Corn,No. 2 yellow,Cent IL-bp,u	6.3300
Corn gluten feed,Midwest-u,w	204.4
Corn gluten meal,Midwest-u,w	n.a.
Cottonseed meal-u,w	393
Hominy feed,Cent IL-u,w	n.a.
Meat-bonemeal,50% pro Mnpls-u,w	365
Oats,No.2 milling,Mnpls-u	4.0275
Rice, Long Grain Milled, No. 2 AR-u,w	36.13
Sorghum,(Milo) No.2 Gulf-u	n.a.
SoybeanMeal,Cent IL,rail,ton48%-u,w	445.50
Soybeans,No.1 yllw IL-bp,u	14.2500
Wheat,Spring14%-pro Mnpls-u	11.6125
Wheat,No.2 soft red,St.Louis-u	7.2163
Wheat - Hard - KC (USDA) $ per bu-u	9.2575
Wheat,No.1soft white,Portld,OR-u	8.7000
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	234.30
select 1-3,600-900 lbs.-u	209.96
Broilers, National comp wtd. avg.-u,w	1.2529
Butter,AA Chicago-d	2.9000
Cheddar cheese,bbl,Chicago-d	189.75
Cheddar cheese,blk,Chicago-d	210.00
Milk,Nonfat dry,Chicago lb.-d	136.00
Coffee,Brazilian,Comp-y	1.6665
Coffee,Colombian, NY-y	2.2308
Eggs,large white,Chicago-u	4.1650
Flour,hard winter KC-p	21.80
Hams,17-20 lbs,Mid-US fob-u	n.a.
Hogs,Iowa-So. Minnesota-u	81.65
Pork bellies,12-14 lb MidUS-u	n.a.
Pork loins,13-19 lb MidUS-u	1.0681
Steers,Tex.-Okla. Choice-u	n.a.
Steers,feeder,Okla. City-u,w	190.63
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	60.0000
Grease,choice white,Chicago-h	0.7250
Lard,Chicago-u	n.a.
Soybean oil,crude;Centl IL-u,w	0.7016
Tallow,bleach;Chicago-h	0.7400
Tallow,edible,Chicago-u	n.a.

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra,Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Sosland Publishing; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 12/1

Source: Dow Jones Market Data

Borrowing Benchmarks

wsj.com/market-data/bonds/benchmarks

Money Rates

December 2, 2022

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation	Oct. index level	Chg From (%) Sept. '22	Oct. '21
U.S. consumer price index			
All items	**298.012**	0.41	7.7
Core	**299.315**	0.29	6.3

International rates	Latest	Week ago	52-Week High	Low
Prime rates				
U.S.	**7.00**	7.00	7.00	3.25
Canada	**5.95**	5.95	5.95	2.45
Japan	**1.475**	1.475	1.475	1.475
Policy Rates				
Euro zone	**2.00**	2.00	2.00	0.00
Switzerland	**1.00**	1.00	1.00	0.00
Britain	**3.00**	3.00	3.00	0.10
Australia	**2.85**	2.85	2.85	0.10
Overnight repurchase				
U.S.	**3.82**	3.82	3.85	0.01
U.S. government rates				
Discount				
	4.00	4.00	4.00	0.25

Notes on data:

U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective November 3, 2022. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective November 3, 2022. **Secured Overnight Financing Rate** is as of December 1, 2022. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 5:30 p.m. ET.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

	Latest	Week ago	52-WEEK High	Low
Federal funds				
Effective rate	**3.8400**	3.8400	3.8400	0.0800
High	**4.0500**	4.0500	4.1000	0.0900
Low	**3.8000**	3.8000	3.8200	0.0500
Bid	**3.8300**	3.8300	3.8300	0.0600
Offer	**3.8500**	3.8800	3.8800	0.0800
Treasury bill auction				
4 weeks	**3.950**	3.970	3.970	0.020
13 weeks	**4.285**	4.220	4.285	0.050
26 weeks	**4.550**	4.520	4.550	0.090
Secondary market				
Fannie Mae				
30-year mortgage yields				
30 days	**5.547**	5.899	6.812	2.518
60 days	**5.559**	5.919	6.988	2.556

Other short-term rates	Latest	Week ago	52-Week high	low
Call money				
	5.75	5.75	5.75	2.00
Commercial paper (AA financial)				
90 days	**4.42**	n.a.	4.63	0.13
Libor				
One month	**4.18486**	4.05471	4.18486	0.10125
Three month	**4.73257**	4.73386	4.77857	0.18763
Six month	**5.14914**	5.21871	5.22529	0.27113
One year	**5.42943**	5.59800	5.66643	0.46150
Secured Overnight Financing Rate				
	3.82	3.79	3.82	0.04

	Latest	Value Traded	52-Week High	Low
DTCC GCF Repo Index				
Treasury	**3.839**	30.568	3.842	0.023
MBS	**3.888**	40.720	3.895	0.032

U.K. Sets Higher Corporate Tax Rate

The change brings companies higher costs, but some much needed certainty

By Jennifer Williams-Alvarez And Nina Trentmann

U.K. finance chiefs finally know what's coming: higher taxes.

Faced with a weaker currency, rising financing costs and surging inflation, finance executives' already fraught budget planning was upended this fall after the country's government announced sharp, debt-funded tax cuts, only to withdraw them after the pound tumbled to a 37-year low and financial markets gyrated. Now, under a new prime minister, the government is pledging fiscal austerity, accompanied by an increase in the corporate tax rate to 25%.

With the latest change, the corporate tax rate flip-flopped four times in less than a year. The tax increase, from the current rate of 19%, will apply to companies with annual profit of more than £250,000, equivalent to more than $307,000. The higher rate is set to raise around £18 billion in additional tax income a year, the government said in October.

A few months before the levy is set to take effect in April, finance executives say they welcome the certainty—if not the higher taxes—as they prepare their budgets for 2023. With a host of other hurdles on the horizon, from rising financing costs to a tight labor market, it is one less wild card.

"What I really disliked was, at one point it was going down, then it was going back again, then it was going down and now it is going back up again," said **Associated British Foods** PLC Finance Director John Bason, referring to the corporate tax rate. "We can plan ahead now. We know it is increasing to 25%."

The U.K. government's change brings the corporate tax rate in line with those of other large economies. Both China and France have the same rate, the U.S. is at 21% at the federal level while Germany's corporate levy effectively is at 30%, according to professional services firm PricewaterhouseCoopers.

Associated British Foods, the owner of fast-fashion chain Primark and other businesses, will see its full-year tax bill increase by around £20 million from a total of roughly £300 million due to the tax change, Mr. Bason said. ABF, which reported a 22% increase in annual revenue to £17 billion and a 46% increase in operating profit to around £1.2 billion, said it would review its investment plans in the U.K. "We certainly will look at our investments," Mr. Bason said. "But at this point, it is not leading to a reappraisal of any of the investments that we're making."

For London financial technology company **Wise** PLC, clarity around the corporate tax is helpful as the company looks to expand its business, Chief Financial Officer Matt Briers said. "All we ask for in the U.K. is that it is predictable and stable," Mr. Briers said.

Wise, which reported a 55% increase in revenue to £397 million and saw total income rise 63% to £416 million for the six months ended Sept. 30, is working to maintain its profit margin and run its business more efficiently, Mr. Briers said.

"The tax rate we certainly can't control. ... Those are the controllables," Mr. Briers said, referring to Wise's profit and its plans to save capital.

U.K. companies planning for 2023 are weighing factors such as access to labor—which is more limited after the U.K.'s exit from the European Union—inflation, financing costs and future tax obligations, said Sharon Bell, European equity strategist at Goldman Sachs Group Inc. "Of course, clarity is a very useful thing," Ms. Bell said about the increase in the corporate tax rate.

U.K. companies' costs are rising on several fronts. Interest rates have gone up to 3% and are expected to rise further, which is driving up borrowing costs. That is after a decade during which many companies were able to renew financing terms at cheaper rates than those that they previously had as the Bank of England loosened monetary policy, Ms. Bell said. Borrowing costs for all businesses have risen, she said, with European companies looking to refinance now facing rates of around 4% to 5%, up from 1% to 2% a year or two ago.

Inflation rose to a 41-year high in October, running at 11.1% as prices for energy and other items have surged. The pound remains down more than 7% from a year earlier at around $1.23.

The outlook for companies is getting darker. U.K. companies issued 86 profit warnings in the third quarter, up from 51 a year earlier and 64 in the previous quarter, according to EY-Parthenon, the strategy arm of professional services firm Ernst & Young. More companies in the third quarter issued their third or more warning in a 12-month period, according to Jo Robinson, a turnaround and restructuring strategy leader at EY-Parthenon.

"Businesses are facing an unprecedented combination of headwinds, including rising costs, slowing demand and excess supply, making it increasingly difficult to balance competing priorities," Ms. Robinson said, according to a release. "Increasing uncertainty means that events could move quickly for companies that show signs of stress."

But compared with a few months ago, the economic outlook is more stable, said ABF's Mr. Bason. Interest rates are higher, but aren't rising as rapidly as before, and the U.S. dollar has lost some of its strength, he said. "Some of those moves, particularly interest rate moves and exchange rate moves, were so extreme," Mr. Bason said. "We're in a better place."

CHRIS J. RATCLIFFE/BLOOMBERG NEWS

Big technology stocks like Amazon are down more than the S&P 500 and are proving a liability to both the S&P and the Nasdaq.

Blue Chips Outshine S&P 500

Continued from page B1

Inc. and Google parent **Alphabet** Inc. are all down more than the S&P 500, proving a liability to both the S&P and the Nasdaq.

Also, both of those indexes are weighted by market capitalization, so larger companies hold greater sway. That means that a down year for the tech giants weighs particularly hard on the S&P and Nasdaq.

"The S&P has a cap-weighted problem," said Andrew Slimmon, U.S. equity portfolio manager at Morgan Stanley Investment Management.

With the Fed set to keep raising rates into next year, investors and strategists say the Dow could continue to lead the market. While the central bank has signaled plans to slow the pace of its interest-rate increases, officials have said persistent inflation warrants further monetary tightening into next year. Friday's jobs report showed the labor market remains hot, putting upward pressure on prices. In the week ahead, investors are awaiting the November producer-price reading for the latest gauge on inflation.

Unlike the other two major indexes, the Dow is calculated by adding the prices of the 30 stocks and dividing by a factor that accounts for changes like stock splits. That means that companies with a higher share price have a greater effect on index moves, regardless of their total market value.

The Dow's top-gaining stock this year is **Chevron** Corp., up 54% amid a boom in oil prices. Chevron is also the greatest contributor to the Dow's performance, thanks to its heavier weighting in the blue-chip index compared with the S&P 500. Other top contributors such as **Amgen** Inc. and **UnitedHealth Group** Inc. have a heftier influence on the Dow than on the broad benchmark.

The Dow doesn't include companies such as Amazon, which has fallen 44% in 2022. Amazon has been the biggest detractor to the S&P 500 year to date, according to S&P Dow Jones Indices data as of the end of November. S&P Dow Jones Indices runs the Dow and S&P 500, among other indexes.

The 30 Dow components are all also in the S&P 500. In general, the Dow has a lower weighting than the S&P 500 and Nasdaq Composite to the technology sector, which has suffered this year. It has a greater weighting to healthcare, financials and industrials, which have fared better.

"If you believe that interest rates are going to stay higher for longer, then this environment where value beats growth is likely to continue," said Bob Doll, chief investment officer at Crossmark Global Investments. He said his firm is looking to add to its holdings in energy, healthcare and financial stocks.

Investors have put more money into funds tracking the Dow this year than in previous years. Passively managed U.S. mutual funds and exchange-traded funds tied to the Dow had about $2.1 billion of net inflows through October this year, the highest net inflows in the first 10 months of the year since 2017, according to Morningstar Direct.

Still, much more money follows the S&P 500. U.S. mutual funds and exchange-traded funds tracking the S&P 500 received $71 billion of net inflows through October, Morningstar data show.

"The amount of attention relative to the amount of assets invested in a Dow index seemed a little off balance to me," said Todd Sohn, ETF strategist at Strategas Securities.

Many of Mr. Sohn's clients have asked about the Dow recently, he said. He believes the Dow could continue to outperform at least through next year.

For clients interested in gaining exposure to the Dow, Mr. Sohn recommends the SPDR Dow Jones Industrial Average ETF Trust, which corresponds with the blue-chip index's performance.

If clients are wary of the Dow's price-weighted methodology, he suggests an ETF tracking the equal-weighted S&P 500—which gives the same status to the smallest and largest companies in the index. The equal-weighted S&P 500 is down 8.8%, better than its traditional counterpart.

The Dow's advantage this year doesn't surprise Jay Hatfield, chief executive and portfolio manager at Infrastructure Capital Advisors. He said when he introduced his oldest daughter to investing about 15 years ago, he had her pick stocks from the Dow, given the index's reputation of reliable large-cap companies. She chose Walt Disney Co.

"We said at the beginning of the year the Dow would outperform the S&P," Mr. Hatfield said. "Little did we know how correct we would be."

Bankruptcy Of FTX Spurs Fights

Continued from page B1

to offer services elsewhere in the European Union.

The regulator's chairman, George Theocharides, wrote that his agency was investigating FTX for potential violations of securities laws. But because FTX's European staff was unable to access data from the exchange's trading platform—now controlled by Mr. Ray—the Cyprus agency couldn't get the information needed for its probe, nor could it respond to requests from other European regulators carrying out their own inquiries, Mr. Theocharides wrote.

As of Nov. 15, FTX EU had €47 million, equivalent to around $49 million, of client funds, Mr. Theocharides said. The Cyprus securities regulator ordered the company to return the money to customers, but the company has been unable to comply because its bank accounts are frozen by the chapter 11 process, the chairman said.

Mr. Theocharides reminded Mr. Ray "that unlawful use of clients funds might constitute a criminal offense."

A spokesman for the agency said: "The priority of CySEC is to protect investors as these investigations continue, and to ensure the orderly return of appropriate client funds."

Mr. Ray has found himself caught in a diplomatic brawl with regulators in the Bahamas, who sought to manage FTX's insolvency on their own.

On Nov. 10, the Securities Commission of the Bahamas began steps to liquidate FTX Digital Markets, the unit controlling the company's international exchange. The liquidators later ordered the transfer of the unit's crypto assets to a digital wallet controlled by the Bahamian government.

That didn't sit well with Mr. Ray, whose lawyers effectively accused officials in the Bahamas of theft and said the crypto taken by the Bahamians should belong to the FTX businesses he currently controls. In court papers, they cited "credible evidence that the Bahamian government is responsible for directing unauthorized access...for the purpose of obtaining digital assets."

The Bahamian government countered that Mr. Ray was making unfounded accusations and said it would proceed with the winding-down of FTX's exchange. Officials in the Bahamas questioned his motives and ability to lead.

"It is possible that the prospect of multimillion-dollar fees is driving their legal strategy and intemperate statements," the Bahamian attorney general, Ryan Pinder, said during a recent televised address.

Former FTX Chief Executive Sam Bankman-Fried—who is facing several investigations over the loss of billions of dollars in customer funds—has appeared to side with Bahamian officials. Mr. Bankman-Fried has said he didn't intend to commit any fraud and he didn't knowingly commingle FTX customer funds with Alameda Research, a crypto hedge fund he started in 2017.

Istanbul's chief prosecutor began a probe into people associated with FTX.

Trouble might be brewing for Mr. Ray in Turkey, where regulators decided to take control of FTX's domestic subsidiary's winding-down. On Nov. 19, Mr. Ray said FTX identified a number of subsidiaries with valuable franchises that could be sold to raise cash for the company's creditors. One of them was FTX's wholly owned Turkish subsidiary, FTX Turkey Teknoloji Ve Ticaret AS, where the company found nearly $3.1 million in assets when it filed for bankruptcy, according to court papers.

Four days later, the financial crimes board of Turkey's Treasury Ministry said it confiscated the assets of FTX Turkey on suspicion that customer deposits were transferred or taken abroad through fraudulent transactions and that nonexistent crypto assets were sold to customers. Istanbul's chief prosecutor began a criminal investigation into Mr. Bankman-Fried and other people associated with FTX, the ministry said.

THE TICKER | MARKET EVENTS COMING THIS WEEK

Monday

Factory orders
Sept., previous up 0.3%
Oct., expected up 0.7%

Earnings expected
Estimate/Year Ago
SAIC **1.73**/1.85

Tuesday

Int'l trade deficit in billions
Sept., previous $73.28
Oct., expected $80.00

Earnings expected
Estimate/Year Ago
AutoZone **25.25**/25.69
Casey's General Stores **3.16**/2.59
Guidewire Software **(0.39)**/(0.21)
HealthEquity **0.34**/0.35
MongoDB **(0.17)**/(0.11)
Toll Brothers **4.01**/3.02

Wednesday

Consumer Credit
Sept., prev. up $25.0 bil.
Oct., exp. up $30.0 bil.

EIA status report
Previous change in stocks in millions of barrels
Crude oil down 12.6
Gasoline up 2.8
Distillates up 3.5

Mort. bankers indexes
Purch., prev. up 4.0%
Refinan., previous down 13.0%

Productivity
2nd qtr., prev. up 0.3%
3rd qtr. prelim., exp. up 0.4%

Unit labor costs
2nd qtr., prev. up 3.5%
3rd qtr. prelim., exp. up 3.5%

Earnings expected
Estimate/Year Ago
Brown-Forman **0.55**/0.49
Campbell Soup **0.88**/0.89
Descartes Systems **0.27**/0.30
GameStop **(0.28)**/(0.35)
Ollie's Bargain Outlet **0.40**/0.34

Thursday

EIA report: natural gas
Previous change in stocks in billions of cubic feet
down 81

Initial jobless claims
Previous 225,000
Expected 230,000

Earnings expected
Estimate/Year Ago
Broadcom **10.28**/7.81
Ciena **0.08**/0.85
Cooper Cos. **3.12**/3.28
Costco **3.12**/2.97
Lululemon **1.96**/1.62
Vail Resorts **(3.42)**/(3.44)

GABBY JONES FOR THE WALL STREET JOURNAL

Campbell Soup is expected to post per-share earnings of 88 cents.

Friday

U.Mich. consumer index
Nov., final 56.8
Dec., prelim. 56.8

Producer price index
All items, Oct. up 0.0%
Nov., expected up 0.2%
Core, Oct. up 0.2%
Nov., expected n.a.

Wholesale inventories
Sept., previous up 0.6%
Oct., expected up 0.8%

Short-selling reports
Ratio, days of trading volume of current position, at Nov. 15
NYSE 3.2
Nasdaq 2.3

* FactSet Estimates earnings-per-share estimates don't include extraordinary items (Losses in parentheses) ◆ Adjusted for stock split

Note: Forecasts are from Dow Jones weekly survey of economists

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Fri in US$	Fri per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0059	168.0800	63.7
Brazil real	.1916	5.2194	–6.3
Canada dollar	.7423	1.3473	6.6
Chile peso	.001132	883.50	3.7
Colombia peso	.000210	4768.07	17.3
Ecuador US dollar	1	1	unch
Mexico peso	.0516	19.3921	–5.4
Uruguay peso	.02559	39.0850	–12.6
Asia-Pacific			
Australian dollar	.6795	1.4717	6.9
China yuan	.1424	7.0246	10.5
Hong Kong dollar	.1284	7.7893	–0.1
India rupee	.01228	81.422	9.3
Indonesia rupiah	.0000648	15428	8.2
Japan yen	.007445	134.31	16.7
Kazakhstan tenge	.002126	470.47	8.1
Macau pataca	.1245	8.0291	–0.1
Malaysia ringgit	.2279	4.3875	5.3
New Zealand dollar	.6404	1.5615	6.8
Pakistan rupee	.00446	224.325	27.3
Philippines peso	.0179	55.735	9.3
Singapore dollar	.7395	1.3523	0.3
South Korea won	.0007682	1301.69	9.5
Sri Lanka rupee	.0027137	368.50	81.6
Taiwan dollar	.03273	30.553	10.2
Thailand baht	.02882	34.700	4.4

Country/currency	Fri in US$	Fri per US$	US$ vs, YTD chg (%)
Vietnam dong	.00004104	24365	6.6
Europe			
Czech Rep. koruna	.04326	23.113	5.7
Denmark krone	.1417	7.0551	7.9
Euro area euro	1.0543	.9485	7.9
Hungary forint	.002571	388.93	19.8
Iceland krona	.007088	141.08	8.7
Norway krone	.1024	9.7650	10.9
Poland zloty	.2255	4.4343	10.1
Russia ruble	.01600	62.500	–16.4
Sweden krona	.0969	10.3213	14.0
Switzerland franc	1.0673	.9369	2.7
Turkey lira	.0537	18.6331	39.9
Ukraine hryvnia	.0271	36.8500	34.7
UK pound	1.2294	.8134	10.0
Middle East/Africa			
Bahrain dinar	2.6522	.3771	0.03
Egypt pound	.0407	24.5644	56.4
Israel shekel	.2939	3.4027	9.4
Kuwait dinar	3.2629	.3065	1.3
Oman sul rial	2.5974	.3850	unch
Qatar rial	.2747	3.641	–0.03
Saudi Arabia riyal	.2661	3.7587	0.1
South Africa rand	.0571	17.5033	9.8

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	97.28	–0.17	–0.17	8.63

Sources: Tullett Prebon, Dow Jones Market Data

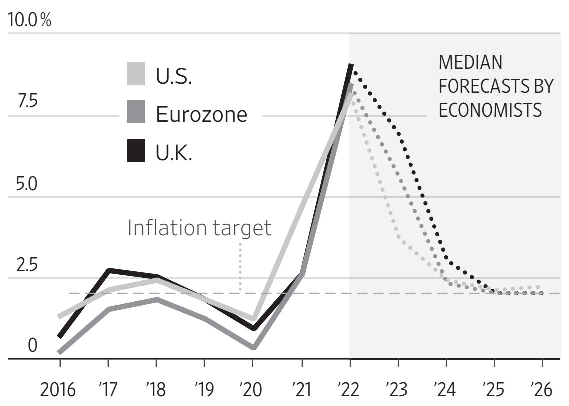
HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

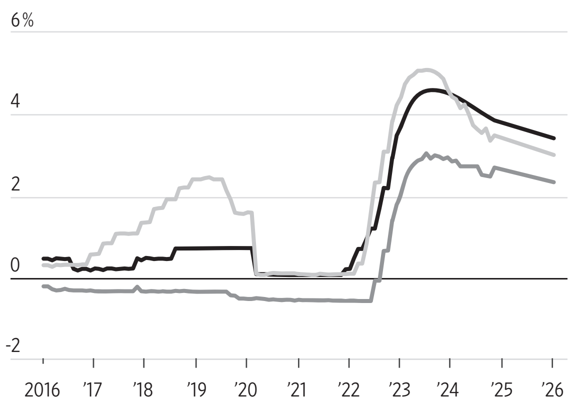
Inflation Doesn't Have to Be 2%

The latest data suggest prices aren't spiraling uncontrollably, raising the question of why stick to an arbitrary 2% target

Consumer-price index, change from a year earlier



Market expectations of interest rates



*Data through Dec. 2022 are actual money-market rates. From Jan. 2023, figures are rate expectations based on forward overnight indexed swaps
Sources: FactSet (markets, interest rates U.S., eurozone), Bank of England (interest rates U.K.)

"Why must inflation be around 2%?" is a question that obsessed central bankers back when inflation was stubbornly below their favorite target. It makes more sense to ask it now.

This past week, a string of data suggested that inflation is finally on a downward trend. The U.S. personal-consumption expenditures price index excluding food and energy—the Federal Reserve's preferred measure of inflation—recorded its second-smallest monthly increase for the year, even as consumer spending jumped and job growth continued. Meanwhile, eurozone inflation receded to 10% in November, suggesting October's 10.6% was the peak.

Stocks have rallied, especially after Fed Chairman Jerome Powell said Wednesday that interest rates will go up in smaller increments from now on. But he also indicated that the tightening is far from over. Indeed, central bankers don't ultimately care if inflation stops rising: They want it to go down, back to the 2% number they are mandated to hit.

It underscores the misalignment between their interests and everybody else's, which should worry investors.

Inflation in many rich countries has been decelerating since July, yet economists don't expect it to return to 2% until a distant 2025, based on median forecasts. Derivatives markets price in that the Fed, the European Central Bank and the Bank of England will stop raising rates in 2023, cut them later in the year, and then sit on their laurels for two full years as inflation grinds down.

But what if inflation stabilizes at a higher rate—say between 4% and 6%?

In this plausible case, central banks may be compelled to start needlessly raising rates again, catching investors off guard. It would make a lot more sense to raise the inflation target instead, or define it as a wider range.

Yes, out-of-control inflation involves large disruption, as uncertainty about costs gives businesses a reason to cut production, and workers with diminishing purchasing power resort to strikes. But such problems stem from inflation accelerating, not its being high.

Inflation of 4% is perfectly compatible with a healthy economy that isn't overheating. A possible reason would be the fragmentation of global supply chains, which research suggests previously suppressed price pressures.

Some on Wall Street fear pay wouldn't keep up and hit consumption, as the commodity shock is doing now. But, in the long term, economies tend to grow, which means "real" incomes do too. And historical data shows no evidence that higher inflation diverts less of this income to wages relative to profits, or vice versa.

To be sure, problems arise when inflation is very high or, by contrast, when there is deflation. This is why most economists advocate a small but positive rate of price growth.

There is no reason it must be 2%, however. The Reserve Bank of New Zealand, which pioneered inflation targeting in 1989, arbitrarily chose a 0%-to-2% range simply because then-Minister of Finance Roger Douglas thought it sounded low. It probably helped that the historical median CPI growth in countries such as the U.S. and the U.K. was roughly 2%.

There could be trouble if raising the inflation target in itself triggered wage pressures that fed back into prices. Back when inflation stayed below 2%, economists such as Olivier Blanchard, Larry Summers and Jordi Galí insisted it was a problem in need of solving, and that a higher target could do it. This outcome is unlikely, though: Expectations of inflation are less important in price setting than whatever inflation has just done.

For the sake of workers, firms and investors, the time to rethink targets is neither when inflation is low nor when it is accelerating, but when it is high and stable.

—Jon Sindreu

For U.S. Tech, India's Draft Privacy Bill Has Hidden Risks

There isn't much the Indian government and **Meta Platforms** see eye to eye on. And yet last week, the U.S. social-media giant's president of global affairs called a reworked draft of the country's data-protection bill a promising turn of events.

The fourth iteration of the long-pending privacy bill, released for public consultation in November, solves some big problems: Previously mooted versions alarmed technology companies by proposing to treat social-media platforms as publishers, regulate the use of nonpersonal information such as traffic data and bar companies from processing critical personal data outside India.

New Delhi understandably wants to encourage India's burgeoning digital economy. Isolating itself with provisions that unduly restrict cross-border data flows and boost compliance costs would have been counterproductive.

The new version also weakens consent standards, removes a criminal liability clause and caps monetary fines. It bears little similarity to the European Union's General Data Protection Regulation, or GDPR, which sets a high bar for the collection and use of personal information.

Nonetheless, tech companies should probably be more worried than they seem to be about the draft law. It explicitly gives the government the power to exempt its agencies from the law's privacy provisions in the name of national security, for the maintenance of public order and for other reasons. It also contains language on "deemed consent," stipulating that individuals are presumed to have given consent to use their data "for the performance of any function under any law"—an eerie echo of China's internet, where users routinely assume internet traffic isn't secure from state surveillance.

U.S. tech companies are already under fire at home and abroad over data breaches, sometimes-intrusive data collection and the spread of misinformation. India's new law could turn into a public-relations headache if the government uses it, for example, to help justify suppressing or tracking political opponents or critical voices.

The original draft bill in 2018 had stronger guardrails around data processing in the service of national security. It explicitly stated, for example, that such processing should be necessary and proportionate to the interest being achieved: harking back to the Indian Supreme Court's landmark privacy judgment in 2017.

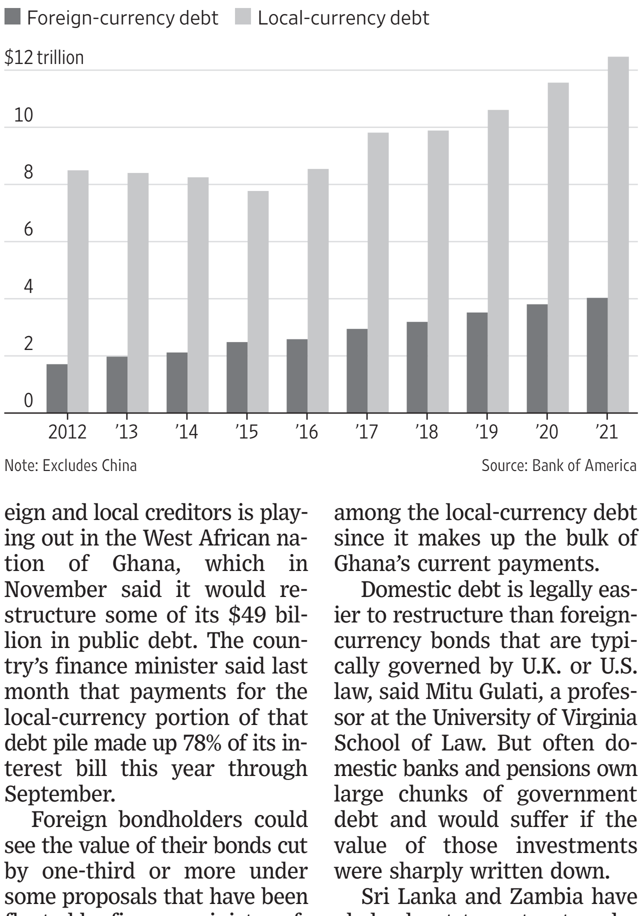
It is understandable that New Delhi doesn't want to emulate the stringent rules of the GDPR given the nascent stage of India's digital economy and big hopes for its further growth. And looser rules on data localization are a significant boost for U.S. tech companies. But in the long run, this new draft, if enacted, could create some serious reputational and ethical dilemmas for them, too. *—Megha Mandavia*

MARKETS

Poor Countries Feel Sting Of Local-Currency Debt

By Chelsey Dulaney

Emerging-market outstanding debt



Note: Excludes China
Source: Bank of America

Sri Lanka has pledged not to restructure local-currency debt, but many investors are skeptical.

Some of the world's poorest economies embraced borrowing in their own currencies as a shield from painful swings in the U.S. dollar. Now that strategy may be coming back to bite.

Debt issued by emerging-market governments and companies in their local currency reached $12.5 trillion in 2021, according to data from Bank of America that excludes China's enormous borrowings in the yuan. That compares with $4 trillion in foreign-currency debt.

The fate of local-currency debt has become a key stumbling block in debt-restructuring negotiations in Ghana, Sri Lanka and Zambia. And it is forcing investors, policy makers and economists to rethink what an emerging-market debt crisis looks like.

"The crises of the mid- and late 1990s that were mostly driven by foreign-currency debt were very traumatic for many of us, so then we started thinking of that risk," said Ugo Panizza, a professor who studies sovereign debt at the Geneva Graduate Institute. Local-currency borrowing was meant to be easier to manage. "Now we're facing a different type of debt crisis," Mr. Panizza said.

Rising interest rates, combined with soaring food and fuel prices triggered by Russia's invasion of Ukraine, have hit the world's poorest nations hard this year. Many engorged on debt over the previous decade and are now in talks for relief from their lenders and rescue packages from the International Monetary Fund.

The tug of war between foreign and local creditors is playing out in the West African nation of Ghana, which in November said it would restructure some of its $49 billion in public debt. The country's finance minister said last month that payments for the local-currency portion of that debt pile made up 78% of its interest bill this year through September.

Foreign bondholders could see the value of their bonds cut by one-third or more under some proposals that have been floated by finance-ministry officials, according to Stuart Culverhouse, chief economist at emerging-market research firm Tellimer.

It is too early to say how the restructuring will affect domestic bondholders. The country's finance ministry didn't respond to a request for comment. It said in November that details of the restructuring were still being discussed.

However, holders of the foreign bonds are pushing for a comparable restructuring among the local-currency debt since it makes up the bulk of Ghana's current payments.

Domestic debt is legally easier to restructure than foreign-currency bonds that are typically governed by U.K. or U.S. law, said Mitu Gulati, a professor at the University of Virginia School of Law. But often domestic banks and pensions own large chunks of government debt and would suffer if the value of those investments were sharply written down.

Sri Lanka and Zambia have pledged not to restructure local-currency debt, but investors and ratings companies are skeptical that they will be able to keep those promises.

Fitch Ratings sees a high chance that Sri Lanka will end up including local-currency debt in its restructuring. Moody's says risks remain high that Zambia will have to do the same for some domestic debt, with particular focus on the $3.2 billion held by foreigners.

Rising borrowing costs mean Sri Lanka expects interest payments on domestic debt to essentially double between 2021 and 2023. Zambia forecasts its domestic debt bill will rise by 66% in that period.

The finance ministries of Zambia and Sri Lanka didn't respond to requests for comment.

Previous emerging-market debt crises, like the Latin American debt one in the 1980s and the Asian financial crisis of the late 1990s, were rooted in U.S. dollar borrowings. A rising dollar makes those debts become more expensive for countries to repay, a vulnerability often referred to as emerging markets' "original sin."

With local-currency borrowing, the value of those debts wouldn't increase if a country's currency depreciates.

The IMF and World Bank provided training to emerging-market officials on how to build out local debt markets and open them up to foreign investors. The Group of 20 nations joined the cause in 2011, launching an action plan to support local-currency bond markets in developing nations.

Emerging-market governments issued trillions of dollars worth of local-currency debt in the decade that followed.

China and larger emerging markets such as Brazil and India led the charge, but smaller developing countries also joined in. In some of the world's poorest countries, local-currency debt more than tripled to 28% of gross domestic product by 2021 from 8% in 2010, according to IMF data.

While local debt has helped insulate many emerging markets from global shocks, some smaller countries were unprepared when the foreign investors who flocked to their local-currency markets suddenly wanted out, said Francesc Balcells, head of emerging-market debt at FIM Partners.

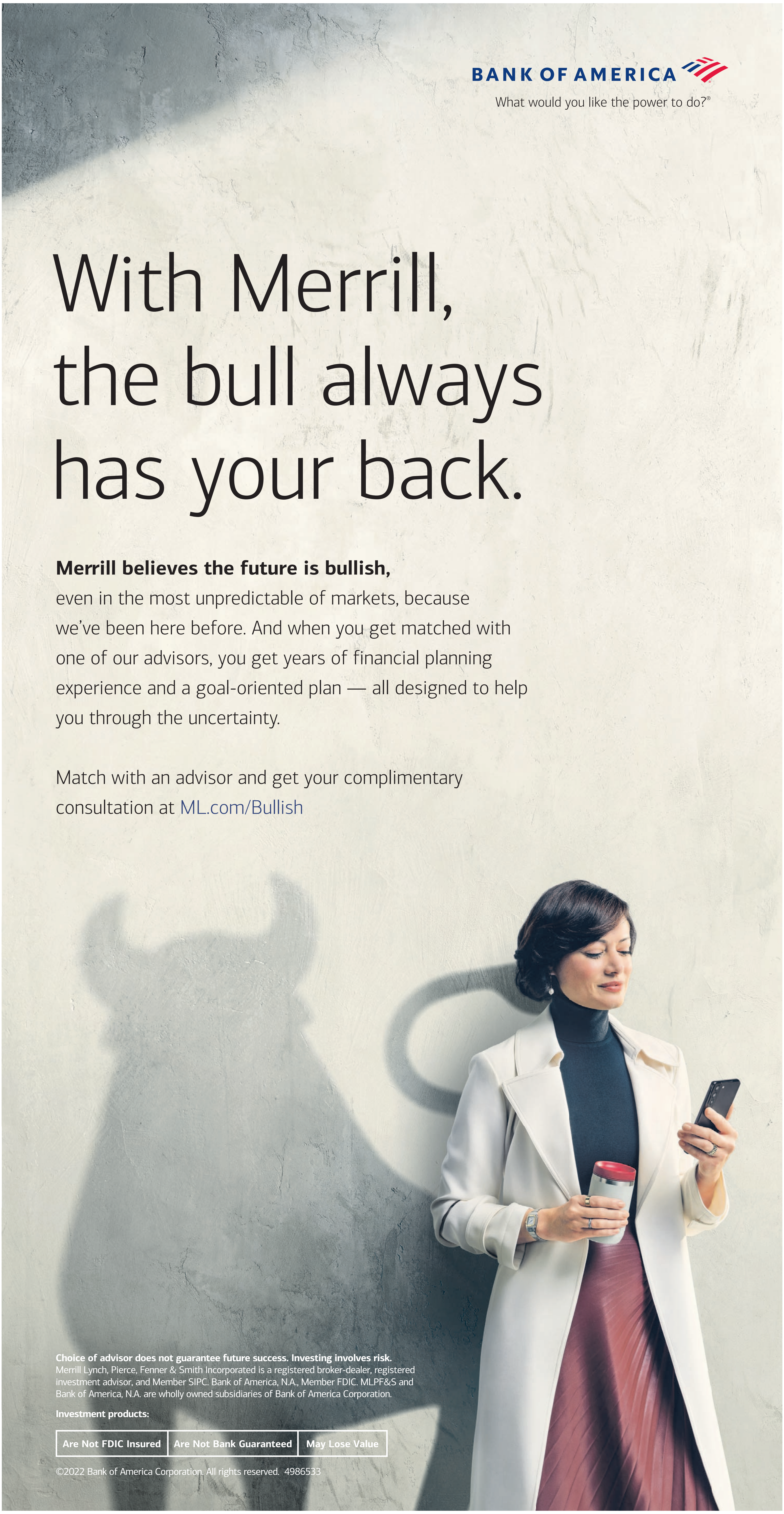
Foreign investors pulled a net $20 billion from emerging-market local bond funds this year through November, according to a JPMorgan Chase analysis that excludes China. The investor exodus added to pressure on emerging-market currencies and inflated the value of their U.S. dollar debts.

Countries turned to borrowing more in local markets to plug budget gaps, but at sky-high rates that are driving up domestic debt costs. Ghana sold a six-month Treasury bill in November with an interest rate of 36%, up from the rate of 13% it borrowed at in January.

"Domestic debts can be as destabilizing as external ones," said Theo Acheampong, a Ghanaian economist and senior analyst at S&P Global Market Intelligence. Foreign investors are "quick to sell out as soon as they sense any sign of distress."

Another option for governments is to let inflation reduce the value of their domestic debts, said Kenneth Rogoff, former chief economist at the IMF and currently a Harvard University professor.

"You just print money. I'm not saying everybody should do this. But if you're in desperate straits, you do it," he said.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JOURNAL REPORT

INVESTING MONTHLY

MUTUAL FUNDS & ETFS
MONTHLY DATA R6, R7, R8

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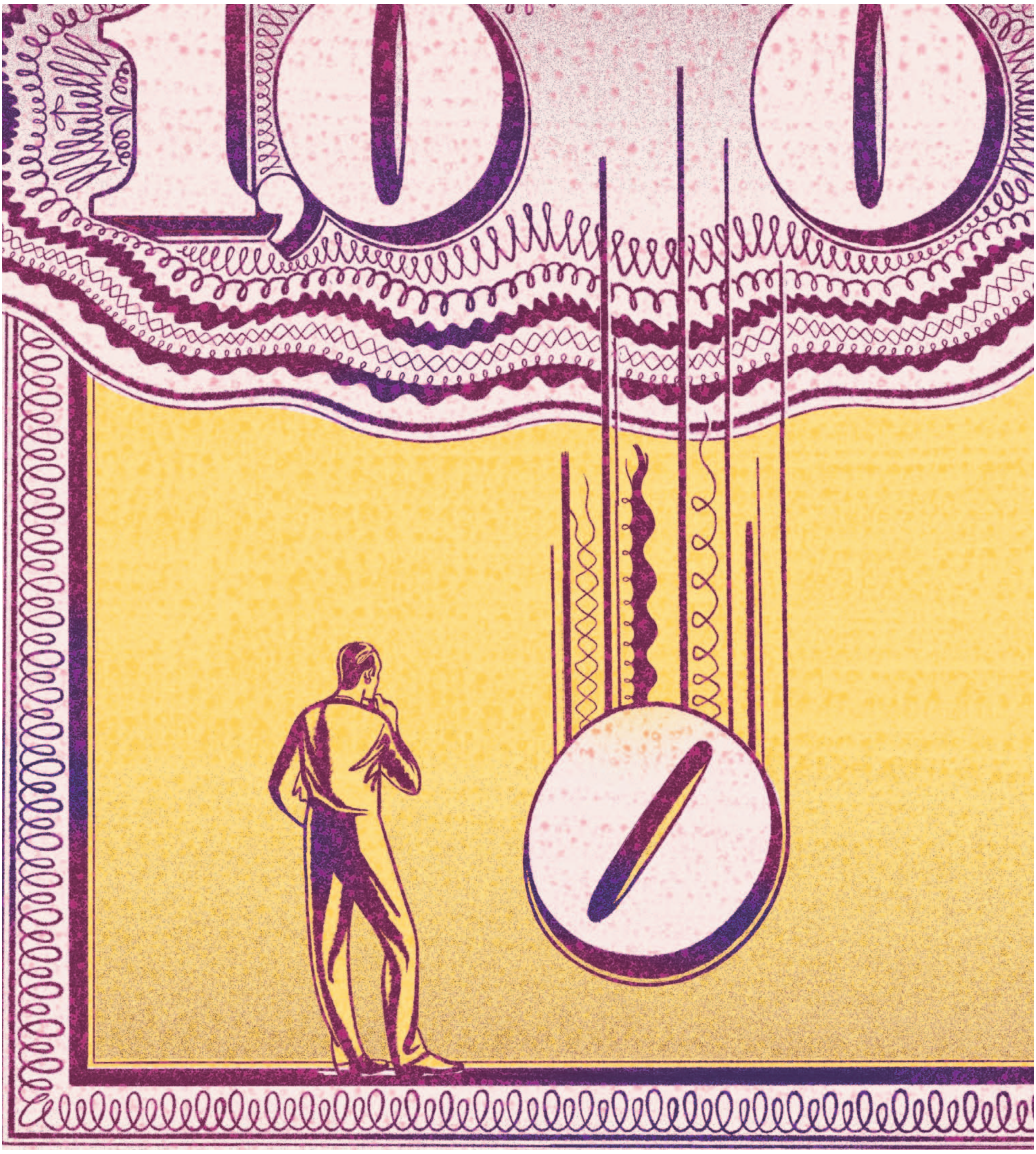
THE WALL STREET JOURNAL.

Monday, December 5, 2022 | **R1**



ALEX NABAUM

Bonds Are Primed for a Better 2023, But How Better?

Investors might believe that after a horrible 2022, bonds can't help but have a positive return next year. Not so fast.

BY MARK HULBERT

AFTER a record bad year for bonds, investors are facing a big question: What are bonds likely to do this coming year?

A lot of investors might believe that bonds are probably going to snap back—they couldn't *possibly* do worse than 2022. But this is by no means a safe bet. There are a number of factors in the market that suggest bonds *aren't* going to snap back, or at least snap back enough to put them in positive territory.

It is easy to see why people think that bonds are due to

Please turn to page R7

The Hidden Risks With Tax-Loss Harvesting

Investors crushed by the volatile markets of 2022 use tax-loss harvesting to boost returns

BY LORI IOANNOU

INVESTORS who are licking their wounds after incurring losses in 2022 due to market volatility are now looking for ways to boost their portfolio returns by year's end.

One widely used strategy is tax-loss harvesting. This practice of selling some assets that have fallen in value and then using losses to offset capital-gains tax liability not only reduces your tax bill, but also can be used to rebalance your portfolio.

"This year there is a unique opportunity for individual investors to use tax-loss harvesting not only for stock losses, but also for losses they had in the bond and crypto markets," says Sean Mullaney, a certified financial planner who runs Mullaney Financial & Tax Inc. in Los Angeles.

The S&P 500's total return is minus 13.3% for the year to date through Friday. The Bloomberg U.S. Aggregate Bond Index market dropped 11.4% over the same period. The cryptocurrency market selloff, meanwhile, has wiped $1.74 trillion of market cap from that industry over the past 12 months.

Tax-loss harvesting is complex, and investors often get tripped up. Here's how it works and where the pitfalls are.

Please turn to page R4

Inside

THE LONG AND ULTRASHORT OF IT

What types of bonds deliver the best returns in this kind of market? **R2**

Scan this code to hear why, despite an unsettled economy, investors keep favoring U.S. stocks over foreign equities.

Ask Encore

After almost 20 years of writing about retirement for the Journal, Glenn Ruffenach in his farewell column answers the question of when it's time to walk away. **R8**

SCOREBOARD

November 2022 fund performance, total return by fund type. More on R2.

U.S. stocks*	Intl. stocks*	Bonds (intmd.)
▲ 5.3%	▲ 12.8%	▲ 3.6%

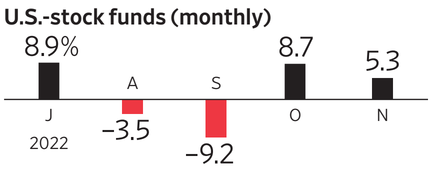
*Diversified funds only, excluding sector and regional/country funds

Source: Refinitiv Lipper

JOURNAL REPORT | INVESTING MONTHLY

A Journal Report special look at the **numbers** and **news** about this month's investing

JR.



11/5/22 The FTX logo got exposure on umpires during the World Series. Then the crypto exchange imploded.

-63% Bitcoin's performance for 2022, to $17,015.77, according to CoinDesk. It is also down 75% from its high of $67,802.30 on Nov. 9, 2021.

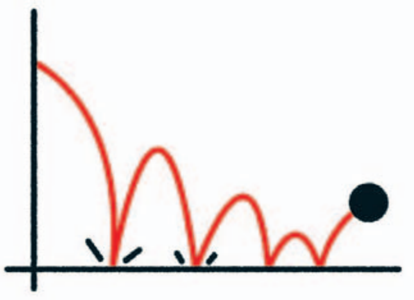
-27% Performance of the Nasdaq Composite Index in 2022, even after two positive months. Recent crypto-markets turmoil has contributed to risk aversion.

Crypto Strikes Out

It seems like yesterday that cryptocurrency was about innovation and manic rallies. Baseball even put the logo of the FTX crypto firm on umpires. Now, it's all about bruising price declines, bankruptcies and layoffs at cryptocurrency firms. "We will proceed with caution in the future," baseball's commissioner now says of crypto tie-ins.

Monthly Monitor • William Power

Funds Rose but Remain Damaged



The stock market, and U.S.-stock funds, rose for a second month. But forgive fund investors if they aren't giddy.

The numbers remain ugly for investors so far this year. The average U.S.-stock fund rose 5.3% in November, according to Refinitiv Lipper data, but is still sitting on a 13.8% decline so far in 2022. For all of 2021, U.S.-stock funds had rallied 22.5%.

Inflation-battered markets, both stocks and bonds, have virtually assured investors that the average stock or bond fund will be in the red for 2022. The Federal Reserve has been raising interest rates to battle inflation, despite the economic pain that causes.

In particular, funds focused on growth stocks—those powered by corporate-earnings potential—are hurting. Large-cap growth funds are among the worst performers so far in 2022: down 26% so far this year, after November's 4.9% rise. Small-cap growth is down 22%.

The hope is that the Fed's aggressive moves are winding down. If inflation data cooperates, the 0.75 percentage-point increase in November "may be the last supersize hike," says Katie Nixon, chief investment officer for Northern Trust Wealth Management. But smaller rates increases are still on the plate, including at the Fed's meeting Dec. 13-14.

"Growth stocks have faced a headwind during this latest chapter of hawkish monetary policy," says Gerald B. Goldberg, chief executive officer of GYL Financial Synergies. "With that said, we are approaching a potential pivot in policy. When that occurs, you should anticipate a more constructive environment for growth names."

The surge in natural gas and other energy commodities has powered natural-resources funds to a 54% gain this year, including November's 2.7% advance.

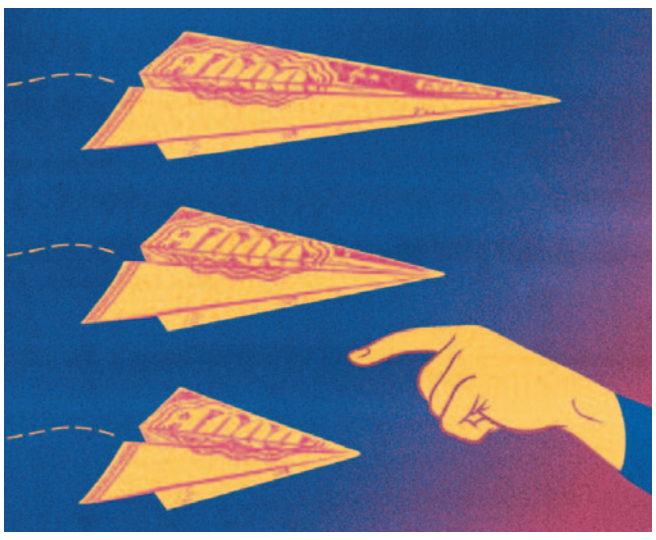
Bonds similarly had a positive month in an otherwise negative year. Funds focused on investment-grade debt rose 3.6% in November but are off 13.1% for 2022. In 2021, bond funds declined 1.3%.

Mr. Power is a Wall Street Journal features editor in South Brunswick, N.J. Email him at ***william.power@wsj.com.***

'The Federal Reserve came into 2022 behind the curve, forcing them to hike rates aggressively. Operation catch-up is what this year has been all about and I think it's over. They've caught up. They're in a decent place.'

Hani Redha

Portfolio manager, global multiasset, PineBridge Investments



What Types of Bonds Deliver the Best Returns?

We looked at the past performance numbers for all kinds of fixed-income securities going back 50 years. Here's what we found.

BY DEREK HORSTMEYER

WITH interest rates on the march this year, many investors are looking at bonds again, for the first time in 10-plus years, as a true income-delivering alternative to stocks.

Indeed, while investors have exited equities along with the downturn in that sector, many have sought safety in short-term debt holdings such as money-market funds.

No longer are we in the days of what Wall Street calls TINA (There Is No Alternative to stocks). Instead investors are welcoming the days of TARA (There Are Reasonable Alternatives) with bonds.

With that in mind, we investigated fixed-income returns over the past 50 years to determine which sections of the bond market have done best on a risk-adjusted basis. To sum up: U.S. long-term bonds led the field *and* outperformed U.S. dollar-denominated international bonds by a healthy margin. But if you are worried about continued rate increases, you might want to position yourself in short-term U.S. debt.

I and my research assistants Renzo Luna Victoria and Qi Zhang separated the fixed-income data into their respective concentrations: U.S. ultrashort term, fixed income (diversified), international bonds, U.S. short term, municipal debt, U.S. long term and GNMA (mortgage debt). We then calculated the average return, median return and average volatility of each grouping over the full 50 years, when rates were rising and during recessions.

The first interesting finding is that U.S. long-term debt had the highest average annual return of any bond category over the long run. Most subcategories of bonds lined up in terms of having similar risk-reward profiles (i.e., those with higher returns exhibit higher risk). International debt denominated in U.S. dollars, however, was an outlier at the low end of the spectrum. The average U.S. long-term-debt fund delivered an annualized return of 7.68% with annual volatility of 7.44%. The dollar-denominated international bond portfolio delivered 6.38% with volatility of 7.47%. U.S. long-term debt thus topped international by more than a percentage point, and with less volatility.

It should also be noted that municipal debt fared better than the dollar-denominated international debt on a risk-adjusted basis as well, once you take into consideration the tax-deductibility of muni debt.

Next, we examined results during rising-rate environments. Not surprisingly, the results totally flip. Now, ultrashort-term U.S. debt is by far the best option. Ultrashort-term debt recorded an average return of 4.20% with a minuscule volatility of 1.11% when the Fed was raising rates. It scored the highest return out of all the options and the lowest volatility. You really cannot come close to beating ultrashort-term debt when rates are going up.

> This could be a TARA market in bonds—There Are Reasonable Alternatives for investors.

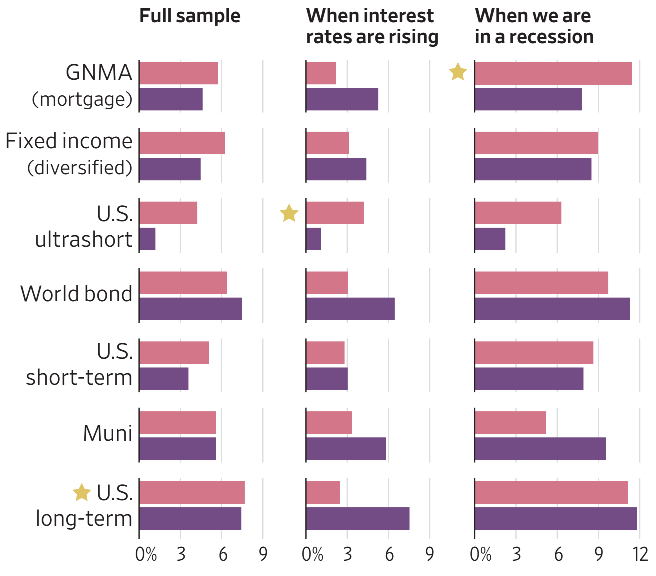
Finally, we also examined the results during recessions. Here we see a newcomer, GNMA (mortgage/mortgage-backed securities) debt, along with U.S. long-term debt doing the best on a risk-adjusted basis, again doing better than world debt.

In total, U.S. long-term debt has done much better than international debt over 50 years on a risk-adjusted basis. But if you are worried that the Fed will continue its rate increases well into 2023, past results suggest that you really cannot do better than U.S. ultrashort debt.

Dr. Horstmeyer is a professor of finance at George Mason University's Business School. He can be reached at ***reports@wsj.com.***

The Long and Ultrashort of It

Performance of sections of the bond market on a risk-adjusted basis over the past 50 years



Source: Derek Horstmeyer, George Mason University

Financial Flashback

A look back at Wall Street Journal headlines from this month

25 YEARS AGO

Wall Street never seems short of a scandal.

A quarter-century ago, Nasdaq stock dealers agreed to a collective settlement of approximately $1 billion after claims that market makers were manipulating part of the stock market. Or, as The Wall Street Journal put it at the time, these companies were alleged to have "rigged prices" between 1989 and 1994.

"It was a big deal and to some retail and institutional folks, it seemed like a vindication of what they'd suspected all along," says Pete Earle, a member of the research faculty at the American Institute for Economic Research. "It was the dealers who settled, but lots of people still believe it was the Nasdaq."

The central issue in the case came after a 1994 study by two finance professors alleged the difference between the bid and the ask prices, the so-called spread, was unnaturally wide and "suggested dealers tacitly collude" to make it that way. Wider spreads tend to mean more revenue for the companies.

The eventual agreement, which included some memorable names such as Jefferies, Montgomery Securities, Merrill Lynch, Bear Stearns, Solomon Smith Barney, Charles Schwab and Goldman Sachs, also coincided with a banner profits year on Wall Street helping reduce the settlement's sting.

—*Simon Constable*

Settlement of Nasdaq Suit To Hit Some Firms Harder

HEARD ON THE STREET

By PATRICK MCGEEHAN
Staff Reporter of THE WALL STREET JOURNAL

Settling the giant class-action lawsuit over price-fixing on the Nasdaq Stock Market will cost Wall Street securities firms as much as $1 billion, people familiar with settlement plans have said. But the pain won't be evenly shared. While some firms will be paying only a few million dollars, one or two are slated to pay as much as $100 million each.

To put an end to the lawsuit, as many as 32 securities firms that are Nasdaq dealers — many of which are publicly traded themselves — are preparing to announce a settlement as soon as today. The class-action suit, filed by plaintiffs' lawyers on behalf of investors, was sparked by ... until the second half of 1998.

The firms likely to feel the biggest pinch are smaller ones that are more dependent on trading of Nasdaq stocks, analysts say.

For example, San Francisco-based Hambrecht & Quist Group is slated to pay almost $20 million, people familiar with the settlement talks say. That amounts to more than 75 cents a share for H&Q, a firm that analysts expect will earn $1.90 a share in fiscal 1998, according to First Call Corp.

"This is a big deal for some firms but not so big for others," said an analyst who requested anonymity because his firm is involved in the settlement talks. The analyst said that "$20 million is a lot more significant for Hambrecht & Quist than $100 million is for Merrill."

Merrill and other big firms probably have already set aside money to cover the ..., analysts say. If they haven't ...

Wall Street Journal, Dec. 24, 1997

50 YEARS AGO

A Bigger Board? Central Stock Market, Its Proponents Think, Could Benefit Investors

100 YEARS AGO

General Electric Attracts Conservative Investors

DAVID J. PHILLIP/ASSOCIATED PRESS; ALEX NABAUM; MONITOR: GIACOMO BAGNARA

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THE WALL STREET JOURNAL.

Donor-Advised Funds: Questions to Ask Yourself

Many people are wondering if the funds are still a good option for charitable donations given the stock market's choppy year

BY CHERYL WINOKUR MUNK

EVEN with the market's tumult this year, donor-advised funds can be a good way for some investors to give to charity.

The funds—which let investors contribute assets such as cash, stocks or bonds for charitable purposes—have been a popular choice for people looking to make donations. The contributions are tax-deductible up to certain limits, and people can recommend where they want their assets to go.

But after a choppy year in the market, many investors may be unsure if donor-advised funds are still a good option—or if they want to give to charity in the first place. The question becomes more pressing in December, a popular month for charitable donations overall. Around 20% of giving occurs then, a higher percentage than any other month, according to 2021 data from the Blackbaud Institute, a philanthropic-research provider.

It is important to consider your contributions carefully, because once you contribute to a donor-advised fund, the transaction can't be unwound. Here's what to know before you make a choice.

Are you itemizing?

One basic question to consider with a donor-advised fund is whether or not you itemize your deductions or take the standard deduction—currently $25,900 for married couples filing jointly and $12,950 for single taxpayers and married individuals filing separately. If you itemize, donor-advised funds can help boost your deductions. Likewise, if you are on the cusp of itemizing, the deductions from a donor-advised fund could push you over the edge.

You can typically claim a deduction of up to 60% of your gross income when donating cash, and up to 30% for long-term noncash assets.

"The advantage of donor-advised funds is the ability to spread donations to charities, while taking advantage of the timing of the deduction," says David Peters, who heads a financial-advisory and tax-preparation business in Richmond, Va.

There may be better options, though, depending on your age and other circumstances. Older people, for instance, can receive more-favorable tax treatment if they donate directly to a charity rather than through a donor-advised fund, says Colby Bircher, vice president at Fidelity Charitable.

Individuals who are 70½ years old or older can donate up to $100,000 to one or more charities directly from a taxable IRA instead of taking their required minimum distributions, and there is no tax on the withdrawals. On the other hand, if you donate retirement assets from an IRA during your lifetime directly to a donor-advised fund, that is a taxable event, Ms. Bircher says. You would still get a charitable deduction, but it ends up being a wash.

Do you want to simplify your giving?

If investors want to support multiple organizations, a donor-advised fund can help ease the administrative burden, Ms. Bircher says. This might also be a good option if investors have charitable aspirations but don't have a specific charity in mind at the moment, she says. They can make a donation at once and then choose the recipients later.

This strategy can be particularly attractive if you have portfolio losses. Sell the depreciated securities, incur the loss to offset taxes and donate the cash proceeds to a donor-advised fund at any time, says Fred Kaynor, managing director of marketing, business development and strategic partnerships at Schwab Charitable.

"It gives them the flexibility without feeling pressured to donate the cash proceeds right away. They have the time to research the charities or how and where they want to allocate those funds for the charities they choose to support," Mr. Kaynor says.

The strategy is especially advantageous for those who itemize deductions and have portfolio losses. Of course, taxpayers claiming the standard deduction can still contribute to a donor-advised fund for reasons such as ease of giving, simplifying record-keeping and to support their legacy planning, even without the extra tax bonus.

Donor-advised funds can also be a good idea for charitably minded individuals who don't know the tax basis for the securities they have owned for more than a year. They will receive a deduction—up to certain limits—equal to the fair market value of the securities without having to muddle through the tax-basis calculations or paying an accountant to figure it out.

Do you have long-term holdings you want to unload?

Even with the market's volatile performance in 2022, some people may still be sitting on long-term positions that have appreciated significantly over the past decade. If they sell those positions outright, they could be hit with large capital-gains taxes, which could minimize or negate the impact of any realized losses they have incurred. But if they donate the assets to a donor-advised fund, they can avoid capital-gains taxes—and deduct the charitable contributions besides.

"If you looked at every position in your portfolio, it's unlikely that everything is underwater," says Don Greene, national donor-advised fund executive at Bank of America.

ALEX NABAUM (3)

Do you want to balance out high earnings?

Typically, donating appreciated noncash assets offers more tax benefits because of the capital-gains avoidance issue, but some people also use donor-advised funds as a way to bunch several years of cash contributions into one year to maximize the tax deduction. This can be appealing—especially in a high-income year—as a way to push someone into itemized-deduction territory and offset some of the taxes.

To be sure, the allure of this so-called bunching strategy could diminish after 2025, when current tax rates expire and the standard deduction reverts lower, but for the next few years, it is viable for some people, says M. Tyler Ozanne, president of Ozanne Financial Services in Dallas.

"We're in a window where donor-advised funds are still really attractive for a lot of people who want to front-load deductions," he says.

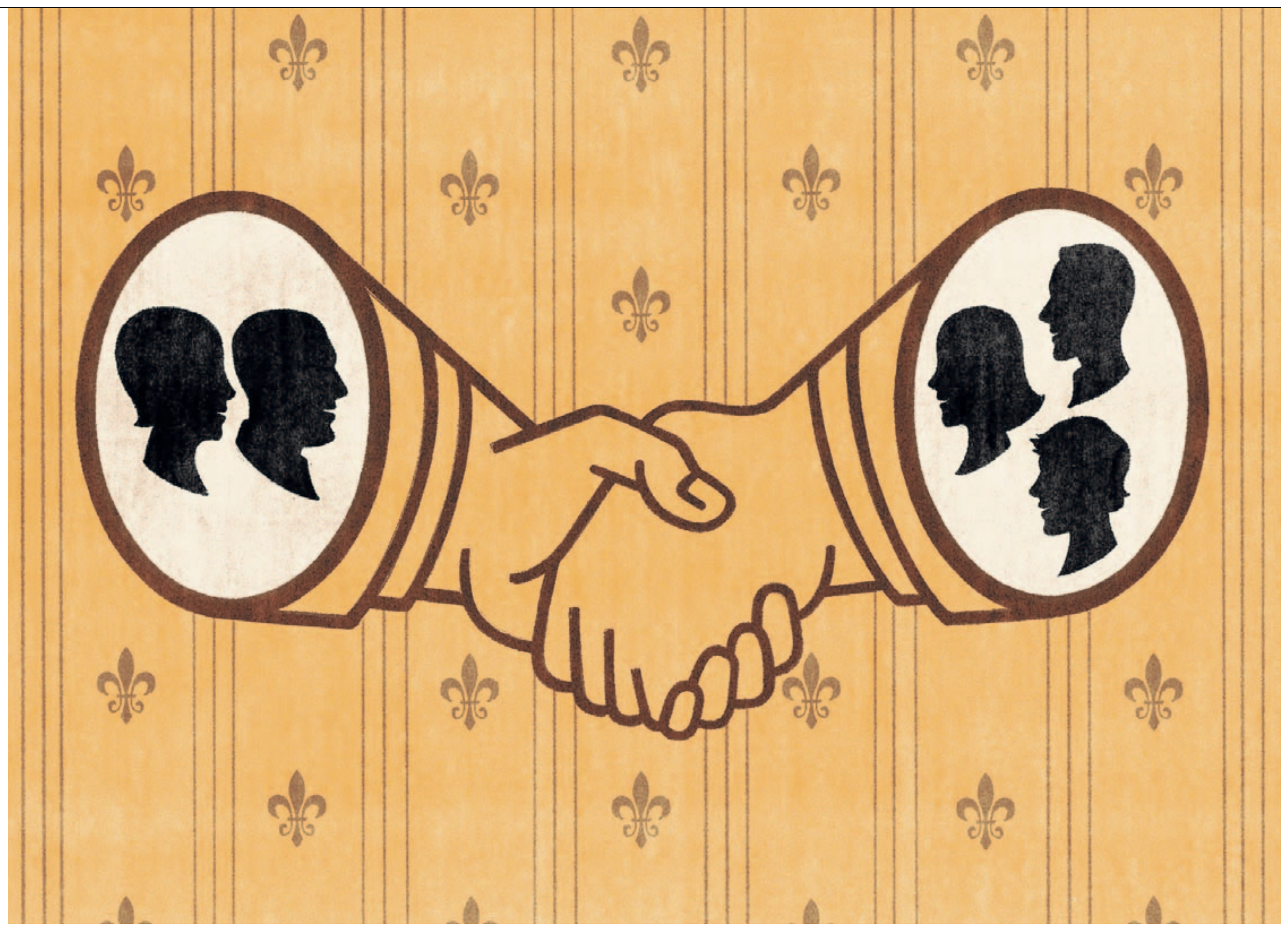
Do you have assets to donate besides cash and securities?

People tend to give cash and appreciated securities like stocks, but make sure to consider the full array of assets you can donate, Mr. Greene says. These include real estate, digital currency, art or other tangible personal assets and pre-IPO shares, he says.

These types of assets don't necessarily have to be donated through a donor-advised fund to get a tax advantage. However, some charities aren't able to accept certain kinds of assets and a sale in order to donate the proceeds could trigger capital-gains taxes.

"A lot of time people don't realize that you can gift these assets to [a donor-advised fund], and there can be favorable tax consequences for doing so," Ms. Bircher says. "Even better, you are taking something that was seemingly illiquid and using it to fuel your philanthropy. That's the real beauty. You're unlocking more money for charity that otherwise wouldn't have been there," she says.

Ms. Winokur Munk is a writer in West Orange, N.J. She can be reached at ***reports@wsj.com.***



The Pros and Cons of Family Limited Partnerships

With the estate-tax exemption set to rise in 2026, FLPs are in vogue. There are downsides.

BY LORI IOANNOU

THE ability to transfer generational wealth has become a hot-button issue for many Americans with valuable property, businesses and other assets.

That's because a big reduction is planned in the amount of an estate that can be shielded from federal estate taxes. For 2022, estates valued at up to $12.06 million are exempt from federal estate taxes. But on Jan. 1, 2026, unless there is action by Congress, the exemption is set to plunge to somewhere closer to $6 million, adjusted for inflation.

Wealthy Americans are reevaluating their estate plans as a result, says Ronald Fatoullah, an elder-law attorney in New York. Many are transferring assets into family limited partnerships, or FLPs, as a tax-saving strategy.

An FLP can be tailored to suit your legacy plans, says David Born, a financial adviser at Private Financial Management LLC in San Francisco. "They can be set to wind down upon your death, at a specific date in the future, or operate in perpetuity," he says.

Individuals don't have to be ultrawealthy for FLPs to make sense, says Andrew J. Sherman, partner, Seyfarth Shaw LLP in Washington, D.C. "These can make sense for upper-middle-class families that own small businesses, or who have inherited real estate, or valuable collectibles they are not ready to sell," he says.

There can be downsides. The cost to set one up generally ranges from $8,000 to $15,000, but can go much higher depending on what state you live in and the complexity of the partnership. In addition, there are annual operating costs, tax filings and appraisal fees.

There is also the danger of a challenge from the Internal Revenue Service.

"The IRS scrutinizes FLPs closely since it believes they are subject to abuse," says Gabriel Kaplan, a financial planner and CPA in Scarsdale, N.Y. "The agency wants to make sure they have a legitimate business purpose."

Here's a closer look at how FLPs work.

All in the family

The first step is to draft a formal FLP agreement, something typically done by an estate-planning attorney in consultation with a client's accountant and financial adviser.

What makes one of these partnerships different from a traditional limited partnership is mainly the fact that all of the partners are family members. There are two kinds of partners: general and limited. Usually, parents or grandparents are the general partners and contribute the bulk of the assets, such as a business, a stock portfolio or real estate. Children are typically limited partners, with interests in the partnership.

General partners control all of the investment and management decisions and bear the partnership liability, even though their ownership of the assets can be reduced to as little as 1% or 2%. They make the day-to-day business decisions, including how to allocate funds and distribute income.

The ability of general partners to maintain control of the transferred assets is one of an FLP's biggest advantages. "It can be a win-win for wealth creators, reducing their taxable estate through gifting while maintaining control of the business and assets," says Brian Littlejohn, founder of Sherwood Wealth Management, a private wealth advisory firm in Basalt, Colo.

For this reason, an FLP can be part of a succession plan, allowing a general partner to groom his or her heirs while securing their economic interests. You can wait until a future date to decide to whom you want to transfer your general interest.

"This gives you flexibility when trying to forge your legacy plan," says Mr. Littlejohn.

Asset transfer

Once the legal entity is created, assets may be transferred to the FLP immediately or over time, depending on the family's wishes and the amount of planning involved.

"Getting most of the property out of the general partner's taxable estate is the end goal," says Tom O'Saben, director of tax content and government relations for the National Association of Tax Professionals. The assets in the FLP are divided and gifted to the limited partners—often to trusts for the limited partners who are the owner's descendants. The trusts ensure that the gifts to the descendants remain out of their personal estates, too.

These gifts are tax-free, up to the annual gift-tax exclusion amount. For 2022, the exclusion amount is $16,000 a person or $32,000 a couple. That means grandparents with three children and seven grandchildren could transfer $320,000 of limited interest shares to their family each year with no tax liability. Spouses of children and grandchildren aren't usually made limited partners in an FLP.

Asset interests in an FLP also may be valued at a discount because partnership interests are illiquid and considered less marketable for sale. Such a discount can potentially help a family reduce its estate and gift-tax burden. "The discount is typically 30% or more," Mr. Littlejohn says.

When a donor who is general partner dies, the interests previously gifted to the limited partners aren't subject to estate and inheritance taxes. The deceased general partner's interests and control of assets pass to the designated limited partners, or typically to trusts set up in each person's name as designated in his or her estate plan. Most often the FLP remains an operational family business and another family member is named general partner.

FLPs can be structured for many life contingencies to ensure assets are kept within the family. "Restrictions can be imposed on the transfer of partnership interests in the event of divorce, bankruptcy or death," says Mr. Kaplan.

Plenty of caveats

To avoid problems with the IRS, the partnership must be conducted as a business entity. Meetings must be held with formal minutes taken; general partners must be compensated for their services; and limited partners must pay taxes on their share of the income.

"Know there are risks with FLPs," says James I. Dougherty, an estate-planning attorney at Dungey Dougherty PLLC in Greenwich, Conn. "The IRS has challenged these partnerships. It wants to confirm that there were legitimate nontax reasons for establishing the FLP as opposed to the taxpayer setting up one simply to artificially lower the value of the assets for tax purposes."

There are other caveats.

"It is difficult to back out of once you've created an FLP and transferred assets into it," says Jim Evans, vice president of TTG Financial Inc., a financial-planning firm in Canton, Ohio. "You will face legal and accounting consequences. And If you have a falling-out with one of the limited partners and it gets acrimonious, they could sue you." Unlike corporations and trusts, general partners aren't insulated from potential lawsuits, judgments or creditor seizures.

That is why some estate planning attorneys advise clients to set up family limited liability companies instead, notes Ryan Shain, an estate planning attorney and partner of Schinner & Shain LLP, in Malibu, Calif. These can be set up to operate much like FLPs but also protect all partners from liability—including the general partners.

"These partnerships are not for everyone," says Mr. Born, the adviser in San Francisco. "It all depends on the size of your estate, your tax situation and financial goals."

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What Investors Should Know About Tax-Loss Harvesting

Continued from page R1

The basics

Positions in assets that have declined in value in taxable investment accounts are sold to lock in losses for tax purposes. If the losses exceed the gains, the leftover losses can be used in future years to deduct against wages and other income. Under the Internal Revenue Code, single filers and married couples filing jointly can deduct up to $3,000 in additional losses in any given year to offset ordinary income. Married couples filing separately can each deduct $1,500 against ordinary income. Any remaining losses can be carried over and used in the same way in future years.

Here's a specific example. Assume an investor in the highest tax bracket has realized $25,000 in short-term investment gains this year. He faces a 37% tax rate as well as a 3.8% net investment income tax on these gains resulting in a tax bill of $10,200. In 2022 he also made a bad investment that is worth $30,000 less than what he paid for it. He sells the money-losing asset before year-end to offset his short-term gains, eliminating the $10,200 tax bill. He still has $5,000 of the loss left over for which he can take $3,000 this year to reduce other income on his tax return and carry over the remaining $2,000 to future years.

Such losses can be carried over to future tax returns indefinitely until they're all used up. But capital-loss carrryovers survive only as long as you do. They can't be willed to heirs.

The strategy isn't for everybody. "Individuals and couples in lower-income brackets need to examine it closely to see if it makes sense for them," says Tom O'Saben, director of tax content and government relations at the National Association of Tax Professionals. That's because taxpayers with income below certain levels—$40,400 for single filers or $80,800 for married couples filing jointly—could be in lower tax brackets for any short-term gains and potentially have a long-term capital-gains rate of 0%.

Beware of 'wash sales'

In deciding what to do with the money raised by selling assets, investors must be wary of the IRS's "wash sale" rule, which states that an investor cannot sell an asset—such as a stock, bond, mutual fund—at a loss and then rebuy it, or a "substantially identical" asset, within 30 days before or after that sale. If investors do, they cannot take the tax loss write-off.

There is debate among financial advisers as to what constitutes a "substantially identical investment." The IRS looks closely at the buy-and-sell transactions individuals have made during the tax-loss-harvesting process so keep this top of mind, they advise.

While some investors might think selling an asset like **SPDR S&P 500** ETF (SPY) and replacing it with **Vanguard S&P 500** ETF (VOO) is a valid swap, "I'd argue that both are passively managed funds that track the same index, and the investor could be at risk of violating the wash-sale rules," says Paul Winter, a certified financial planner and president of Five Seasons Financial Planning.

One type of asset that is increasingly held by investors but not yet covered by wash-sale rules is cryptocurrency.

The rule doesn't apply to crypto, says Stephanie Lee, a certified financial planner and founder of East Rock Financial Services in San Francisco, "because the IRS currently treats crypto as property, not as a security," she notes. "But this can change in the future."

Meantime, don't try to outsmart the IRS. Bob French, a certified financial adviser and director of investment analysis at McLean Asset Management Corp., in Vienna, Va., points out that the wash-sale rule applies not just to an individual's trading but to everyone in that individual's household and other accounts he or she has some amount of control over. If your spouse or a company you control purchases the security you just took a loss on, that triggers the wash-sale rule.

"Basically, the IRS doesn't want you to be able to take a loss, and then turn around just move it to a different account," Mr. French says.

Plan ahead

Replenishing your portfolio within wash-sale-rule limits can be a fantastic rebalancing tool, says Matthew Lincoln, a certified financial planner and enrolled agent in Frederick, Md. "But you must be careful and choose replacement investments in areas that meet your financial objectives."

To avoid any snags, Jared Hoole, a certified financial planner in Burlington, Mass., suggests investors have a stable of replacement options for their portfolio before they sell any asset for tax-loss-harvesting purposes. "Otherwise, you could be left on the sidelines while you are figuring out what to do." Also be aware of the transaction costs you will have to pay during this process, he says.

Above all, remember that tax-loss-harvesting decisions should not be made in a vacuum. Whatever you do taxwise shouldn't jeopardize the health of your portfolio.

The biggest mistake you can make is to sell an investment that has upside potential in a down market just for tax-harvesting purposes and then regret it. As Mr. O'Saben points out, "It's tempting to do panic selling in volatile markets, but don't let the tax tail wag the dog."

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JOURNAL REPORT | INVESTING MONTHLY

Category Kings in 16 Realms

Top-performing funds in each category, ranked by year-to-date total returns (changes in net asset values with reinvested distributions) as of Nov. 30; assets are as of Oct. 31. All data are preliminary.

Large-Cap Core

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
American Tr Allegiance	25.5	5.7	1.0	6.6	7.3
CornerCap Fundamtrcs LC	143.5	6.4	−1.4	5.9	N.A.
Hartfd:Stock HLS;IA	N.A.	5.6	−2.6	4.8	12.6
BlackRock:Exchange;BR	191.5	7.4	−2.7	2.5	12.0
KraneShs:KFA VL Dyn CEI	26.7	7.9	−2.8	4.1	N.A.
Thrivent Core:Low Vol Eq	1,008.0	5.9	−4.3	2.1	N.A.
Sterling Div MultiMg Act	93.1	4.4	−4.8	N.A.	N.A.
Franklin ETF:US Low Vol	127.8	5.8	−5.0	1.2	11.8
State Farm Growth	6,260.7	5.6	−5.9	0.01	11.1
Alps Equal Sect Wght ETF	296.3	6.0	−6.1	−0.6	10.3
Category Average:	1,350.5	5.9	−13.6	−9.6	10.1
Fund Count	661	658	630	621	511

Small-Cap Core

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Auer Growth	37.7	2.6	18.4	29.1	10.4
Cambria Val and Momentum	124.3	-0.1	11.0	11.2	3.1
Hennessy:Crnst MdCp;Inv	389.2	3.8	10.3	14.0	9.5
Hotchkis:Sm Cap Val;I	675.9	5.2	10.1	15.1	8.7
SouthernSun SC;I	349.7	3.7	6.3	12.5	8.5
Clarkston Partners;Inst	1,556.7	5.2	5.4	11.5	9.2
ProShares:S&P MC400 D Ar	1,381.6	6.4	3.7	10.5	8.9
SouthernSun US Eq;I	44.9	2.3	2.9	10.4	7.6
Undsc Mgr:Beh Val;L	7,400.8	4.2	2.8	8.5	8.5
Avantis US Sm Cap Val	4,232.4	5.4	2.2	6.5	N.A.
Category Average:	555.7	4.3	−9.4	−5.0	5.9
Fund Count	920	918	912	911	804

Large-Cap Value

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Hennessy:Crnst Val;Inv	293.4	6.2	9.8	18.1	8.6
Voya Corp Leaders	775.1	8.4	7.4	14.8	10.8
Invesco Comstock Slct;A	661.7	6.7	7.0	13.1	9.7
Invesco Comstock;A	9,830.2	6.2	5.2	11.8	9.4
Torray Fund	319.9	5.5	4.1	10.6	5.9
Hennessy:Total Rtn;Inv	53.4	5.4	4.1	9.9	4.8
JPMorgan:Active Value	201.5	6.3	3.8	10.7	N.A.
Amer Cent:Focused LC Val	222.8	6.1	2.9	10.4	N.A.
BrndywnGLB Dv USLCV;IS	180.2	6.4	2.7	9.1	8.8
Invesco Dyn LC Vl	797.8	6.1	2.7	9.4	7.3
Category Average:	1,987.3	6.3	−2.9	2.9	8.6
Fund Count	376	372	360	360	312

Small-Cap Value

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Aegis Value;I	256.0	13.5	13.9	21.6	16.0
Invesco SC Value;Y	2,422.8	6.5	8.0	14.7	10.4
Towle Deep Value	108.1	8.8	7.7	12.7	3.9
RBB:WPG Sm/Micro Val;I	30.7	4.1	5.6	11.4	7.1
Dean Small Cap Value	191.4	5.9	5.4	11.6	7.1
Cullen:Sm Cap Val;I	13.1	3.8	5.2	10.5	9.8
RBB:WPG Sel SmCp V;Inst	71.1	3.9	3.7	N.A.	N.A.
Invesco S&P MC400 PV	149.1	7.1	3.3	9.6	9.4
Foundry Prtn Fdm SCV;Ins	248.8	7.1	3.0	8.6	6.0
Franklin Val:Mic Cp;A	215.4	4.9	3.0	6.1	5.3
Category Average:	405.6	4.7	−3.3	1.5	6.0
Fund Count	184	184	169	168	143

Large-Cap Growth

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
GQG Partners US SQE;Inst	1,319.2	1.6	−0.1	1.3	N.A.
DFA US Lg Cp Gr;Inst	2,353.5	7.5	−11.3	−6.7	12.5
Fiera Cp US E LT Ql;Inst	84.7	7.5	−11.9	−7.1	N.A.
NS Multi Strategy;A	45.1	4.2	−13.1	−9.5	7.5
AMG RenaissanceLCG;N	99.8	6.3	−13.5	−8.6	12.0
Fidelity SAI US Qual Idx	11,047.4	6.4	−14.0	−8.9	11.9
Calvert Soc Inv:Eqty;I	5,622.5	7.1	−14.1	−9.4	14.9
iShares:MSCI USA Mom Fct	12,242.5	3.6	−15.0	−15.4	9.4
Amana:Growth;Inv	3,115.0	7.8	−15.4	−12.3	15.2
Pioneer Fndmntl Gro;Y	5,173.1	6.0	−15.8	−11.8	12.1
Category Average:	2,181.6	4.9	−26.3	−25.4	10.1
Fund Count	687	685	670	667	597

Small-Cap Growth

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Kinetics:Paradigm;NL	1,059.1	9.5	40.4	42.1	21.0
Palm Valley Capital;Inv	187.6	2.2	2.7	3.0	N.A.
Oberweis:Sm-Cap Opp;Inv	130.3	6.2	−4.1	−0.6	16.2
Hodges Small Cap;Retail	182.5	6.2	−4.5	0.6	9.2
Virtus:KAR SmCp Cr;I	1,646.5	4.9	−5.2	−0.6	13.9
FAM Small Cap;Inv	297.0	3.7	−5.7	0.6	8.9
Invesco S&P MidCap Qlty	317.9	6.6	−6.1	−2.4	10.9
T Rowe Price QM:USSM;I	313.3	5.2	−8.0	−3.0	8.0
Copeland:SMID Div Gro;I	45.8	4.1	−9.5	−4.3	7.9
Invesco S&P MidCap Mom	1,012.4	3.5	−10.1	−7.9	14.6
Category Average:	652.9	2.8	−22.1	−20.4	7.5
Fund Count	738	738	722	719	639

Midcap Core

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Victory:RS Investors;Y	44.2	4.9	2.2	7.4	8.3
Victory:RS Value;A	296.0	5.6	0.4	6.7	8.1
Clarkston Founders;F	597.5	5.0	0.3	6.2	N.A.
Thrivent Mid Cap Value;S	19.8	5.8	−0.4	5.9	N.A.
Monteagle Opp Eqty;Inst	28.3	5.9	−0.6	6.1	8.6
Jns Hndsn:MC Value;T	2,109.3	6.2	−0.7	6.2	5.7
Dean Mid Cap Value	75.3	5.4	−1.0	5.3	7.2
Pioneer Mid Cap Val;A	709.7	6.2	−1.4	5.5	6.3
Fidelity Mid Cap Stk K6	584.5	4.9	−1.5	4.8	N.A.
Allspring:Spec MCV;I	11,248.3	7.3	−1.7	5.8	9.2
Category Average:	921.3	5.7	−8.3	−2.8	7.2
Fund Count	373	373	357	356	323

Multicap Core

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
AXS:Alternative Val;I	21.5	5.3	5.2	19.2	13.8
Centre Am Sel Eq;Inv	383.7	3.4	3.6	7.6	14.5
Formidable ETF	26.7	6.3	2.2	5.5	N.A.
USA Mutuals:Vice;Inv	69.2	10.3	1.9	8.0	0.5
Concorde:Wealth Mgmt	37.4	3.8	1.0	3.3	9.0
VictoryII:VShs Div Accel	194.9	6.6	−0.6	6.4	12.6
2ndVote:Society Defended	25.1	6.1	−1.2	2.4	N.A.
Fidelity Stocks for Inf	236.1	4.1	−1.5	5.0	N.A.
FinTrust Inc & Opp;Inst	17.1	5.5	−2.0	−3.8	2.8
Pacer Csh Cws Fd of Fds	25.0	9.1	−2.3	2.4	N.A.
Category Average:	2,708.0	5.7	−13.5	−9.8	8.6
Fund Count	690	689	657	653	533

Midcap Value

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Hotchkis:Mid Cap Val;I	473.6	6.0	7.0	14.0	6.9
Morg Stan I:Dyn Value;R6	115.8	7.6	6.5	14.7	N.A.
Frank Value;Inst	17.9	0.7	5.8	8.4	5.4
Invesco Val Opps;A	1,154.9	7.8	5.3	12.5	9.5
US Value ETF	15.0	6.3	4.9	10.8	N.A.
Amer Cent:MC Val;R6	9,233.6	6.6	2.1	9.3	8.0
Heartland:MdCp Val;Inv	308.7	5.0	1.9	9.2	10.2
Victory:Estab Val;R6	16,346.0	5.9	1.2	8.2	11.1
SPDR Russell 1000 YldFoc	851.4	7.2	1.1	8.2	11.0
T Rowe Price MC Vl;Z	13,041.7	7.6	1.0	7.2	N.A.
Category Average:	837.2	5.9	−2.4	3.9	6.9
Fund Count	165	165	160	160	141

Multicap Value

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
ProShares:Eqts for RR	66.8	6.0	9.0	13.8	6.3
Baywood Val+;Inst	3.6	6.2	7.6	14.4	8.3
Pacer US Cash Cows 100	8,715.4	6.4	6.4	13.0	14.3
BNYM Dynamic Value;I	2,192.1	6.3	6.4	14.1	11.5
Brown Adv Beu G LCV;Inst	1,401.2	7.5	6.3	11.8	N.A.
Muhlenkamp Fund	293.5	2.3	5.5	13.2	8.7
JPMorgan:LgCp Val;R6	3,367.3	6.1	5.4	13.2	10.0
WBI Power Factor Hi Div	75.0	8.7	5.3	13.4	7.4
Fidelity Nw Millennium	82.4	5.0	4.7	10.7	N.A.
Poplar Forest Prtnrs;I	339.2	4.3	4.6	11.8	8.2
Category Average:	884.8	6.1	−2.7	3.4	8.0
Fund Count	673	673	659	657	573

Midcap Growth

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Ave Maria Value	346.5	6.5	8.7	14.8	10.1
Alp Arc US Quant Moment	114.6	−0.5	1.1	0.01	11.8
Value Line MdCp Foc;Inv	472.5	7.7	−5.4	1.1	14.0
Franklin ETF:US MC Mltfc	110.6	7.1	−8.3	−3.0	11.3
Govt Street Opps	58.5	6.7	−9.0	−5.8	11.1
BNYM Active MidCap;A	402.3	6.0	−9.6	−5.0	4.7
Jns Hndsn:Enterprise;I	17,227.6	5.3	−12.2	−7.6	10.7
Hodges;Rtl	143.6	10.1	−13.2	−12.6	4.5
Nicholas II;I	925.8	5.2	−14.0	−9.9	9.4
Vanguard Md-Cp I;ETF	136,387.5	6.2	−14.1	−10.7	8.7
Category Average:	1,114.2	4.7	−25.1	−24.0	8.3
Fund Count	393	394	391	383	323

Multicap Growth

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Schwartz Inv:Val Focused	41.4	8.3	26.6	32.0	15.5
Marshfield Concntrrd Opp	340.5	7.5	8.3	14.9	15.4
PFG Fdlty IS AM ESc St;R	236.5	5.3	−7.1	−3.7	N.A.
Vanguard US Momentum Ftr	249.3	2.2	−7.3	−6.3	N.A.
FT:NSDQ-100 Ex-Tech Sect	125.2	7.1	−7.5	−3.8	11.7
FCF US Quality ETF	159.1	5.1	−9.5	−4.4	10.8
ACM Dynamic Oppty;I	80.9	0.2	−10.0	−11.3	2.6
Grizzle Growth ETF	1.1	5.2	−11.7	N.A.	N.A.
CCT Thematic Eqty;Inst	60.7	7.9	−13.5	−10.5	N.A.
AQR:Lg Cap Mom Style;I	760.9	3.9	−13.6	−12.3	11.4
Category Average:	764.0	4.0	−28.0	−27.9	9.3
Fund Count	448	448	434	431	360

Balanced Funds

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Buffalo:Flex Inc;Inv	475.8	5.0	7.6	14.0	9.2
Wilmington:Enh Dv IS;A	35.6	6.6	2.0	9.6	6.2
Hennessy:Balanced;Inv	12.9	3.6	1.3	5.4	3.3
Cantor FBP Apprec & IncO	32.0	4.7	−0.6	4.3	7.8
Arrow DWA Tct:Bal;A	40.5	2.2	−2.7	−0.6	4.5
Abraham Fortress;K	49.1	0.9	−3.0	−1.0	N.A.
MainStay:Balanced;A	469.1	4.2	−3.3	0.9	5.6
Wesmark:Balanced	102.0	4.2	−4.4	−0.6	6.0
Dodge & Cox Balance;I	13,319.9	5.6	−5.0	−1.5	7.2
Am Beacon:Bal;Inv	128.9	5.1	−5.3	−2.0	5.9
Category Average:	1,364.8	5.3	−12.0	−9.5	4.6
Fund Count	544	544	537	536	485

Latin American Funds

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
iShares:MSCI Chile	490.7	6.7	20.6	11.5	−6.9
iShares:MSCI Brazil	5,697.9	−2.9	18.3	22.8	0.4
iShares:Lat Amer 40	1,097.9	1.5	16.5	22.6	−0.1
Franklin ETF:FTSE Brazil	304.5	−3.3	14.8	20.0	0.2
DWS Latin Am Eq;S	358.7	−2.2	13.9	19.8	8.6
Franklin ETF:FTSE Lat Am	66.8	0.1	12.4	19.4	N.A.
Franklin ETF:FTSE Mex	11.3	6.7	8.4	22.3	3.8
iShares:MSCI Mexico	803.3	6.7	7.9	22.3	3.7
Fidelity Latin America	284.7	−3.4	6.9	15.2	−1.7
Glbl X MSCI Argnt ETF	26.9	5.7	6.9	15.4	1.5
Category Average:	367.2	−0.9	7.2	13.3	0.4
Fund Count	27	27	27	27	24

Natural Resources

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
iPath Bloomberg Nat Gs B	18.2	5.2	77.9	43.6	−4.7
Invesco Dyn Enrgy	332.9	−1.2	74.9	76.2	11.0
Fidelity Sel Energy	3,224.9	1.2	70.2	74.7	9.6
iShares:US O&G E&P ETF	1,167.4	0.6	70.1	74.2	13.6
Fidelity MSCI Energy	1,680.3	1.5	69.8	74.3	10.2
Vanguard Energy Idx;ETF	11,024.6	1.5	69.6	74.1	10.3
Fidelity Adv Energy;I	1,639.5	1.1	69.6	73.9	9.5
Sel Sector:Energy SPDR	42,791.7	1.4	69.4	74.7	11.0
iShares:US Energy ETF	2,354.3	1.5	67.6	69.9	9.8
Invesco S&P500 EW En	587.7	1.6	65.2	69.6	9.8
Category Average:	1,399.3	2.7	54.1	57.4	5.3
Fund Count	59	59	56	56	55

Short-Term Bond

	Assets ($ millions)	Total return (%) Nov	YTD	1-yr	5-yr*
Leader High Qlty FR;Inst	39.6	1.1	2.1	2.8	5.4
AMF:AAAMCO Ultsh Fg;Y	83.5	0.3	1.5	1.5	1.5
ClearShares Ult-Sht Mat	250.4	0.3	1.4	1.4	N.A.
Morg Stan I:Ul-Sh Inc;IR	11,444.9	0.3	1.3	1.3	1.3
SEI Inst:Cnsrvtv Inc;F	357.5	0.3	1.2	1.2	1.2
PGIM Ultra Short Bond	2,857.3	0.5	1.0	1.1	N.A.
CR Inv Ult Sht Bd;Inst	53.2	0.3	1.0	N.A.	N.A.
Fidelity Flex Cons Inc B	259.2	0.4	1.0	1.0	N.A.
Fidelity Srs Trs Bill Ix	1,050.6	0.4	1.0	1.0	N.A.
PGIM Core Short-Term Bd	2,679.8	0.4	0.9	1.0	1.8
Category Average:	1,006.8	1.1	−4.1	−4.1	0.9
Fund Count	748	747	723	714	583

N.A.: Not applicable; fund is too new   * Annualized   Note: For funds with multiple share classes, only the largest is shown.   Source: Refinitiv Lipper

Leaders and Laggards

Performance numbers are total returns (changes in net asset values with reinvested distributions) as of Nov. 30; assets are as of Oct. 31. All data are preliminary.

Best-Performing Stock Funds

Fund	Ticker	Assets ($ millions)	Total Return (%) November	YTD	Annualized 1-year	3-year	5-year
MS US BO Idx 3X Lvrgd	NRGU	2,264.2	−2.9	261.7	293.8	−10.6	N.A.
MS O&G Expl & Pr 3X L	OILU	64.3	−2.7	205.3	226.8	N.A.	N.A.
Direxion:EnergyBull 2X	ERX	561.6	1.5	148.7	162.5	−19.4	−23.4
ProShares:Ult Oil & Gas	DIG	177.2	1.8	146.6	156.5	21.1	3.2
Direxion:S&P OG EP Bl 2X	GUSH	800.6	−0.8	110.0	102.7	−41.6	−55.6
ProFunds:Oil & Gas;Inv	ENPIX	60.1	1.6	104.9	111.2	23.6	7.3
United States 12Mo NG	UNL	34.7	7.8	94.9	73.5	39.8	18.6
iShares:MSCI Turkey	TUR	311.1	25.7	87.2	98.7	11.5	0.5
ProFunds:OE & S US;Inv	OEPIX	24.4	2.1	86.6	96.7	−4.6	−21.0
Direxion:DJ Int Bear 3X	WEBS	60.0	−19.5	80.7	81.7	−48.7	N.A.
iPath Bloomberg Nat Gs B	GAZ	18.2	5.2	77.9	43.6	8.3	−4.7
Invesco Dyn Enrgy	PXE	332.9	−1.2	74.9	76.2	35.7	11.0
iPath Bloomberg Energy A		0.5	−1.0	74.8	81.5	16.0	7.4
ProShs II:Ult Blm Nat Gs	BOIL	516.9	3.9	71.0	6.2	−21.5	−34.3
United States Nat Gas	UNG	555.7	2.9	70.4	41.1	6.5	−2.6
Fidelity Sel Energy	FSENX	3,224.9	1.2	70.2	74.7	24.6	9.6
iShares:US O&G E&P ETF	IEO	1,167.4	0.6	70.1	74.2	30.2	13.6
Fidelity MSCI Energy	FENY	1,680.3	1.5	69.8	74.3	23.6	10.2
Vanguard Energy Idx;ETF	VDE	11,024.6	1.5	69.6	74.1	23.9	10.3
Fidelity Adv Energy;I	FANIX	1,639.5	1.1	69.6	73.9	24.3	9.5
Sel Sector:Energy SPDR	XLE	42,791.7	1.4	69.4	74.7	23.0	11.0
iShares:US Energy ETF	IYE	2,354.3	1.5	67.6	69.9	22.1	9.8
Invesco S&P500 EW En	RYE	587.7	1.6	65.2	69.6	24.8	9.8
VanEck:Oil Services	OIH	2,566.5	2.2	65.0	72.6	10.9	−7.4
AXS Short De-SPAC Daily	SOGU	24.1	5.0	64.3	90.7	N.A.	N.A.
iShares:US Oil E&S ETF	IEZ	231.9	2.1	63.6	69.8	7.9	−7.3
FT:Natural Gas	FCG	1,024.4	−0.2	61.9	64.4	43.7	7.1
SPDR S&P Oil&Gas Exp	XOP	5,159.8	0.6	61.5	59.9	26.2	3.1
FT ADEX:Energy AlphaDEX	FXN	1,978.2	1.1	61.4	60.9	31.3	7.8
Invesco Dyn Oil	PXJ	54.2	2.5	61.3	70.1	5.6	−8.6

Best-Performing Bond Funds

Fund	Ticker	Assets ($ millions)	Total Return (%) November	YTD	Annualized 1-year	3-year	5-year
ProShares:UPSh 20+ Trs	TTT	531.9	−20.1	135.9	148.7	6.5	−6.3
Direxion:20+Y Trs Br 3X	TMV	680.7	−19.8	135.6	146.7	5.9	−6.9
Simplify:Intrst Rt Hdg	PFIX	428.8	−12.3	84.8	72.6	N.A.	N.A.
ProShares:UlS 20+ Yr Trs	TBT	1,140.0	−13.5	84.4	91.2	7.8	−1.7
ProFunds:Rs Rt Opp;Inv	RRPIX	49.8	−8.1	52.8	56.0	5.4	−1.3
Direxion:7-10Y Trs Br 3X	TYO	56.1	−9.8	51.4	52.9	6.0	−1.5
ProShs II:UlS Yen	YCS	58.4	−14	43.1	48.3	15.5	9.8
Rydex:Inv Gv LB Str;Inv	RYJUX	153.0	−6.5	42.2	44.8	5.6	0.1
ProShares:Sht 20+ Treas	TBF	575.2	−6.8	38.2	40.8	5.3	0.5
ProShares:UlS 7-10Y Trs	PST	77.1	−6.4	33.9	34.7	4.9	0.4
Direxion:M7 TBr 1.75;Inv	DXKSX	6.1	−5.7	31.3	32.3	4.6	−0.2
Tidal:FolioBeyond Rs Rts	RISR	86.4	−3.5	29.3	29.7	N.A.	N.A.
Rydex:Stg Dlr 2x Str;H	RYSBX	13.0	−9.6	21.2	20.4	4.0	6.13
ProShs II:UlS Euro	EUO	99.5	−9.8	19.8	19.1	3.8	7.6
ProFunds:Rs Rt Op 10;Inv	RTPIX	9.1	−3.3	17.8	18.1	2.0	−0.4
BlackRock BATS:Srs P	BATPX	50.8	−3.0	17.1	17.7	4.3	1.6
ProShares:Sh 7-10 Yr Trs	TBX	137.7	−3.1	16.2	16.6	2.4	0.4
Invesco DB USD Idx Bl	UUP	2,295.9	−4.7	11.6	11.1	2.7	4.0
ProFunds:Rs USD;Inv	RDPIX	32.4	−4.9	10.1	9.6	1.4	2.7
ProShares:Inflation Expc	RINF	76.1	−5.1	9.6	12.0	10.2	5.8
WisdomTree:BBG USD Bull	USDU	446.8	−4.45	9.2	8.2	1.7	2.8
Fairholme:Focused Inc	FOCIX	162.8	2.2	8.5	11.3	5.7	3.8
ProShares:Sht High Yield	SJB	345.1	−3.3	7.4	4.6	−3.8	−3.8
Rydex:Inv Hi Yld Str;H	RYIHX	22.0	−4.3	7.4	5.6	−1.3	−2.9
ProFunds:Fx Br HY;Inv	AFBIX	2.8	−4.3	6.5	4.6	−2.1	−3.9
iPath ETN Op Cur Carry A		0.4	−2.1	6.3	6.2	−0.8	0.5
T Rowe Price I:DGB;Z	TRDZX	4,591.8	−1.2	3.0	3.9	N.A.	N.A.
RvrPrk:Sh-Tm HY;Inst	RPHIX	931.4	0.85	2.5	2.9	2.3	2.36
Leader High Qlty FR;Inst	LCTIX	39.6	1.1	2.1	2.8	5.9	5.4
CrsBdg Ult-Sh Dr;Inst	CBUDX	69.2	0.6	1.7	1.7	N.A.	N.A.

Worst-Performing Stock Funds

Fund	Ticker	Assets ($ millions)	Total Return (%) November	YTD	Annualized 1-year	3-year	5-year
ProShs II:UlS Blm Nat Gs	KOLD	146.9	−23.6	−94.3	−92.2	−73.4	−55.1
MS US BO Idx -3X Inv Lev	NRGD	91.6	−6.1	−92.3	−93.3	−89.2	N.A.
MS O&G Expl & Pr -3X IL	OILD	18.4	−6.8	−91.3	−92.4	N.A.	N.A.
Direxion:DJ Int Bull 3X	WEBL	102.4	1.6	−88.5	−89.3	−34.4	N.A.
MS Sol FANG & Innov 3X	BULZ	228.6	17.9	−88.5	−89.7	N.A.	N.A.
MS FANG+ Index 3x Lev	FNGU	460.7	29.5	−84.1	−86.0	7.3	N.A.
T Rowe Price Int:EE	TREMX	26.8	14.5	−83.8	−84.1	−43.3	−27.5
Direxion:Sel LC & F Bl2x	FNGG	12.6	−6.9	−82.8	−84.8	N.A.	N.A.
Viridi Bitcoin Miners	RIGZ	4.7	−25.4	−82.7	−87.3	N.A.	N.A.
VanEck:Digi Trans	DAPP	29.1	−26.7	−81.4	−86.9	N.A.	N.A.
Glbl X Blockchain ETF	BKCH	64.0	−29.2	−81.1	−86.7	N.A.	N.A.
Direxion:Semicnd Bull 3X	SOXL	3,449.5	56.0	−79.5	−78.4	−1.8	7.9
Bitwise Crypto Ind Innov	BITQ	64.7	−29.2	−79.3	−84.7	N.A.	N.A.
Direxion:S&P Btech Bl 3X	LABU	1,163.6	1.7	−79.0	−82.2	−48.5	−36.6
ETFMG 2X Daily Alt Hrvst	MJXL	0.6	4.2	−78.8	−82.0	N.A.	N.A.
Direxion:S&P OG EP Br 2X	DRIP	102.7	−4.8	−78.0	−78.5	−75.3	−53.9
Invesco AG Crypto Econ	SATO	2.8	−21.8	−76.6	−82.6	N.A.	N.A.
FT VIII:SB Crypto Ind&DE	CRPT	22.1	−28.9	−76.5	−81.9	N.A.	N.A.
Direxion:EnergyBear 2X	ERY	38.1	−4.3	−75.0	−76.8	−61.2	−44.3
Direxion:Cons Dis BL 3X	WANT	24.7	0.6	−75.0	−75.3	−10.2	N.A.
ProShares:UlS Oll Gas	DUG	31.1	−4.8	−74.7	−76.2	−62.3	−43.6
Direxion:Hbldrs&Sup Bl3X	NAIL	131.1	19.9	−74.6	−67.2	−24.7	−19.0
Direxion:Retail Bull 3X	RETL	51.0	18.0	−73.5	−76.2	−1.9	−5.2
ETF Mgr:Brkwv DB Shppng	BDRY	27.3	12.9	−73.5	−70.7	−25.4	N.A.
Direxion:FTSE Chn Bl 3X	YINN	199.4	124.8	−73.0	−75.9	−49.3	−41.0
Defiance Digi Revolution	NFTZ	5.5	−15.4	−72.1	N.A.	N.A.	N.A.
ProShares:UltP QQQ	TQQQ	11,331.8	13.0	−71.5	−70.9	6.8	15.7
ProShares:Ult Nasdaq CC	SKYU	1.7	−6.4	−70.6	−72.7	N.A.	N.A.
Direxion:R AI & A Bl 2X	UBOT	11.0	17.1	−69.6	−70.3	−13.8	N.A.
Direxion:Cloud Comp Bl2X	CLDL	7.8	−4.8	−68.5	−72.9	N.A.	N.A.

Worst-Performing Bond Funds

Fund	Ticker	Assets ($ millions)	Total Return (%) November	YTD	Annualized 1-year	3-year	5-year
Glbl X Blckchn & Btc Str	BITS	7.9	-21.8	-72.3	-79.2	N.A.	N.A.
Direxion:20+Y Trs Bl 3X	TMF	437.2	20.8	-69.9	-71.8	-32.8	-15.7
ProFunds:Btcn Str PF;Inv	BTCFX	22.8	-14.9	-63.2	-70.9	N.A.	N.A.
ProShares:Bitcoin Strat	BITO	678.9	-15.0	-63.1	-70.9	N.A.	N.A.
Valkyrie Bitcoin Strat	BTF	22.1	-14.1	-62.3	-70.2	N.A.	N.A.
VanEck:Bitcoin Strategy	XBTF	21.9	-13.9	-62.0	-70.0	N.A.	N.A.
ProShares:Ult 20+ Yr Tr	UBT	33.8	14.2	-53.1	-55.1	-20.1	-8.0
Direxion:7-10Y Trs Bl 3X	TYD	24.3	10.2	-40.3	-41.1	-13.1	-4.2
ProFunds:US Gov Pl;Inv	GVPIX	7.7	8.4	-39.5	-41.2	-13.5	-4.9
PIMCO ETF:25+ Yr US Tres	ZROZ	516.3	9.9	-39.3	-41.1	-12.0	-3.0
Rydex:Gv LB 1.2x Str;H	RYHBX	52.1	8.3	-39.0	-40.6	-13.0	-4.7
iShares:25+ Trs STRIPS B	GOVZ	267.1	10.3	-39.0	-40.9	N.A.	N.A.
PIMCO:Extend Dur;Inst	PEDIX	480.7	9.8	-37.8	-39.7	-11.2	-2.9
Vanguard Ext Dur T;ETF	EDV	1,867.5	9.9	-37.3	-39.1	-11.4	-2.9
DFA LTIP Portfolio;Inst	DRXIX	295.8	7.6	-36.6	-36.9	-4.8	-0.1
IDX R-M Bitcoin Str;Inst	BTIDX	50.5	-7.1	-35.3	-34.7	N.A.	N.A.
Simplify:Int Trm Trs Ft	TYA	37.7	8.1	-35.3	-35.8	N.A.	N.A.
ProShs II:Ult Yen	YCL	13.7	15.2	-33.4	-35.9	-17.11	-11.4
Wasatch:Hois US Tr;Inv	WHOSX	259.4	7.3	-33.2	-34.8	-9.8	-2.5
WA SMASh Ser Core Comp	WAADX	306.5	5.6	-32.6	-32.3	N.A.	N.A.
PIMCO:LT Rl Rtn;Inst	PRAIX	658.5	5.7	-30.4	-30.4	-2.1	1.4
Fidelity SAI LT TBI	FBLTX	6,050.5	7.3	-29.6	-31.0	-8.4	-1.8
PIMCO ETF:15+ Yr US TIPS	LTPZ	590.9	5.7	-29.6	-29.9	-2.4	1.2
iShares:20+ Trs Bd ETF	TLT	24,466.6	7.3	-29.5	-30.9	-8.4	-1.9
WA SMASh Series CPCom	LMECX	2,606.1	7.9	-28.6	-27.1	-9.0	-3.4
ProShares:Ult 7-10 Yr Tr	UST	9.2	6.7	-28.2	-28.9	-8.1	-2.32
T Rowe Prc Trs:LTI;Z	TRZUX	4,119.9	7.1	-28.2	-29.6	N.A.	N.A.
SPDR Ptf LT Treasury	SPTL	4,763.7	7.1	-28.1	-29.1	-7.8	-1.6
DoubleLine:Lng Dur TR;I	DBLDX	41.8	6.1	-28.0	-29.1	-8.4	-2.4
Vanguard Lg-Tm Trs;Adm	VUSUX	2,595.8	6.9	-27.9	-29.3	-7.6	-1.5

Note: For funds with multiple share classes, only the largest is shown. N.A.: Not applicable; fund is too new or data not available   Source: Refinitiv Lipper

ALEX NABAUM

Bonds Will Be Better in 2023, but by How Much?

Continued from page R1

improve. This year's bond crash will go down in the history books as an extreme: a 24.8% plummet for long-term U.S. Treasurys through Friday, as judged by **Vanguard Long-Term Treasury Index Fund ETF** (VGLT).

Assuming bonds end the year at their current level, their loss would be far and away the worst since 1793, according to a database maintained by Edward McQuarrie, an emeritus professor at Santa Clara University. In fact, such a loss would be nearly 4.0 standard deviations below the average annual return of the past 229 years.

Also consider: The U.S. stock market has lost 14.5% year to date, as judged by **Vanguard Total Stock Market ETF** (VTI). Bonds have done about 10 percentage points worse than that.

Lower expectations

However, there are several reasons to think bonds won't see the kind of comeback people want.

The first factor in play is what's known as "regression to the mean." People typically think this implies a big reversal in performance. In other words, a losing year is more likely to be followed by a winning year than another losing one, and vice versa.

But this represents a misunderstanding of what regression to the mean actually entails. It doesn't mean that bonds will necessarily deliver a positive return next year. It instead implies that the second observation in a series—such as a year of market returns—is likely to be closer to the mean, or average, than the prior one, especially when that prior one was extreme. So, if bonds had a terrible 2022, they are likely to have a 2023 that is closer to the mean—returns could still be *negative*, however, just closer to the mean.

Trend following

Things get even more complicated when you consider another factor—so-called trend following. This can be just as strong as regression to the mean, if not stronger, and thereby diminish its effects.

Trend following happens—in all types of assets, not just bonds—when a loss is more likely to be followed by another loss than a gain (and vice versa). In other words, the trend in play keeps going rather than reversing.

Prof. McQuarrie's database shows how this plays out. Consider the years since 1793 in which bonds rose; they rose again the subsequent year 86% of the time. If regression to the mean were dominant, you'd expect this percentage to be higher in a year after bonds fell.

This has not been the case, however. Following declining years, bonds rose less frequently—79% of the time. This suggests that trend following in the bond market is reducing the impact of regression to the mean. Furthermore, this impact becomes increasingly strong the longer the declines last.

*Mr. **Hulbert** is a columnist whose Hulbert Ratings tracks investment newsletters that pay a flat fee to be audited. He can be reached at **reports@wsj.com.***

Bond investments have done even worse than stocks so far this year. We can expect bonds to do better in 2023. However, there are several reasons to think bonds won't see the kind of comeback people want.

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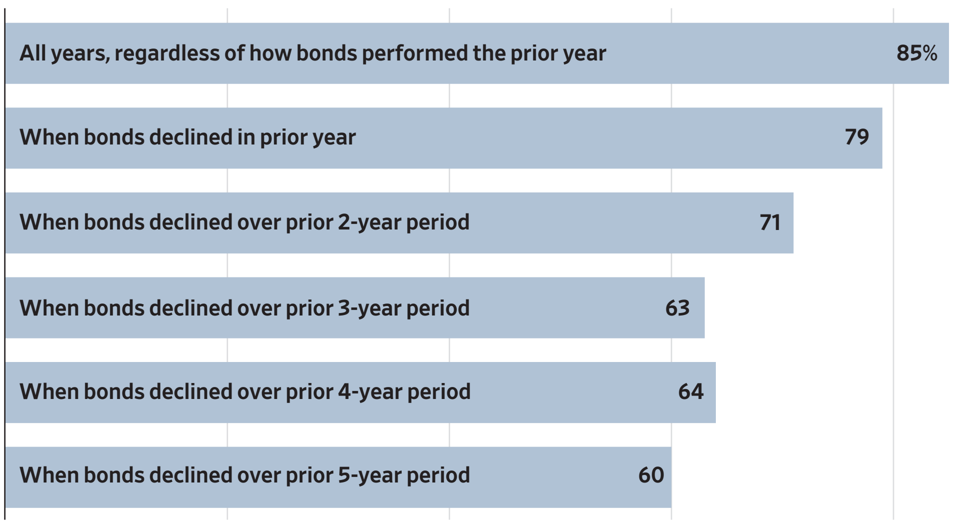
The Treasury Odds

Percent of years since 1793 when the long-term Treasury market rose



Sources: Hulbert Ratings, Edward McQuarrie

Mutual-Fund Yardsticks: How Fund Categories Stack Up

Includes mutual funds and ETFs for periods ended Nov. 30. All data are preliminary.

Investment objective	Performance (%) November	YTD	1-yr	5-yr*
Diversified stock & stock/bond funds				
Large-Cap Core	5.9	**–13.6**	–9.6	10.1
Large-Cap Growth	4.9	**–26.3**	–25.4	10.1
Large-Cap Value	6.3	**–2.9**	2.9	8.6
Midcap Core	5.7	**–8.3**	–2.8	7.2
Midcap Growth	4.7	**–25.1**	–24.0	8.3
Midcap Value	5.9	**–2.4**	3.9	6.9
Small-Cap Core	4.3	**–9.4**	–5.0	5.9
Small-Cap Growth	2.8	**–22.1**	–20.4	7.5
Small-Cap Value	4.7	**–3.3**	1.5	6.0
Multicap Core	5.7	**–13.5**	–9.8	8.6
Multicap Growth	4.0	**–28.0**	–27.9	9.3
Multicap Value	6.1	**–2.7**	3.4	8.0
Equity Income	6.1	**–3.6**	2.4	8.1
S&P 500 Funds	5.5	**–13.5**	–9.6	10.5
Specialty Divers. Equity	5.4	**–24.6**	–22.5	5.7
Balanced	5.3	**–12.0**	–9.5	4.6
Stock/Bond Blend	5.8	**–12.6**	–10.2	4.5
Avg. U.S. Stock Fund†	5.3	**–13.8**	–10.1	7.9
Sector stock funds				
Science & Technology	6.1	**–31.7**	–31.4	10.6
Telecommunication	5.8	**–25.7**	–23.2	2.4
Health/Biotechnology	4.2	**–11.5**	–6.1	8.0
Utility	6.9	**1.3**	9.7	7.4
Natural Resources	2.7	**54.1**	57.4	5.3
Sector	5.2	**–18.5**	–13.7	4.4
Real Estate	5.8	**–22.1**	–15.4	4.2

Investment objective	Performance (%) November	YTD	1-yr	5-yr*
World stock funds				
Global	8.4	**–16.3**	–12.9	5.8
International (ex-U.S.)	12.8	**–15.5**	–11.9	1.9
European Region	12.4	**–17.4**	–13.1	2.0
Emerging Markets	13.9	**–21.1**	–19.8	–0.9
Latin American	–0.9	**7.2**	13.3	0.4
Pacific Region	19.7	**–22.8**	–22.6	0.1
Gold Oriented	17.7	**–13.5**	–12.2	5.2
Global Equity Income	8.0	**–7.1**	–1.6	4.9
International Equity Income	11.6	**–10.6**	–5.8	1.5
Taxable-bond funds				
Short-Term	1.1	**–4.1**	–4.1	0.9
Long-Term	4.6	**–15.2**	–15.3	0.4
Intermediate Bond	3.6	**–13.1**	–13.3	0.2
Intermediate U.S.	1.8	**–9.3**	–9.2	1.6
Short-Term U.S.	0.9	**–4.5**	–4.7	0.3
Long-Term U.S.	3.8	**–15.3**	–15.9	–0.6
General U.S. Taxable	3.3	**–11.8**	–11.8	0.4
High-Yield Taxable	2.0	**–10.0**	–8.5	1.9
Mortgage	3.2	**–10.6**	–10.8	–0.5
World Bond	4.93	**–13.2**	–12.6	–0.9
Avg. Taxable-Bond Fund**	2.5	**–9.4**	–9.0	0.8
Municipal-bond funds				
Short-Term Muni	0.6	**–4.8**	–4.9	0.2
Intermediate Muni	3.5	**–7.5**	–7.4	1.0
General & Insured Muni	5.0	**–10.7**	–10.6	0.9
High-Yield Muni	5.4	**–13.1**	–12.9	1.2

Stock & Bond Benchmark Indexes All total return unless noted

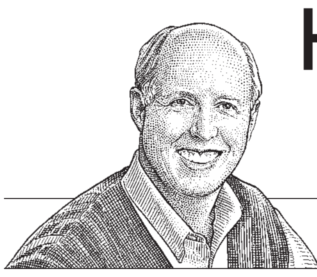
Investment objective	Performance (%) November	YTD	1-yr	5-yr*
Large-cap stocks				
DJIA	6.0	**–2.9**	2.5	9.7
S&P 500	5.6	**–13.1**	–9.2	11.0
Midcap stocks				
S&P MidCap 400	6.1	**–8.0**	–3.3	8.0
Small-cap stocks				
Russell 2000	2.3	**–14.9**	–13.0	5.4
Broad stock market				
DJ U.S. Total Stock Market	5.3	**–14.5**	–11.3	10.2
Russell 3000	5.2	**–14.2**	–10.8	10.3

Investment objective	Performance (%) November	YTD	1-yr	5-yr*
Stock indexes				
DJ U.S. TSM Growth	4.0	**–25.2**	–24.0	11.5
DJ U.S. TSM Value	6.4	**–4.1**	1.6	7.7
Taxable bonds				
Barclays Agg. Bond	3.7	**–12.6**	–12.8	0.2
Municipal bonds				
Barclays Muni. Bond	4.7	**–8.8**	–8.6	1.4
International stocks				
MSCI EAFE†† (price return)	11.1	**–16.8**	–12.6	–0.8
Dow Jones World (ex. U.S.)	11.4	**–16.1**	–12.7	1.5

*Annualized †Diversified funds only **Excludes money-market funds ††Europe, Australia, Far East

Source: Refinitiv Lipper

Ask Encore • Glenn Ruffenach



How Do You Know When It's Time to Retire? Readers (and I) Want to Know

In a farewell column, Glenn Ruffenach considers the right time to walk away, even if it is hard to do

PAUL BLOW

How do you know when it's time to retire?

A great question. And one that I'm coming to grips with myself. But more on that in a moment.

There is, of course, no single, correct answer, especially when the idea of retirement itself has been turned on its head. Only a generation or two ago, most Americans entered later life in much the same way. You collected a gold watch between ages 62 and 65. You cashed your monthly pension checks (remember pensions?), spent a dozen years or so at play, and then waited for your final boarding pass.

Today, many people "retire"—and immediately take a part-time job, or throw themselves into volunteer work. Others embrace a new career entirely. Ask a person today in their mid-60s and older if they're retired and, more often than not, the answer is: "Sort of." That's what I did when I "retired" from my full-time job at The Wall Street Journal. I immediately started writing this column, which meant I was, at best, sort of retired.

So…perhaps a better question is: How do you know when it's time to walk away from a first or primary career? Here, for many, the answer is simple: You retire when work has become a bore or a bother. Or when your nest egg, finally, is the right size. Or when grandchildren and travel beckon. Or when, in the words of the late Joseph Campbell, you find "your bliss." Or when your body tells you it's time.

For others, though, the finish line isn't as clear. As with any major change in life, the prospect of retiring can be (pick a word) unsettling, daunting, stressful. In particular, those whose identity—whose self-worth—is wrapped up in their work aren't always able, or willing, to develop a vision for later life. In which case, inertia sets in. Which, in turn, can keep people even from asking themselves the question about whether it's time. Or as one retiree told me:

"We're all used to planning for growth, but most of us are less enthusiastic about planning for decline. So you put it off, and put it off."

So…for anyone who's unsure about when to retire, or if you're flinching at the idea of walking away from the office, try this:

Think about retirement as a privilege. One that we shouldn't waste.

That's the mind-set I've adopted after almost 20 years of reporting and writing about retirement for the Journal. In that time, I have been astonished—there's really no other word for it—at the opportunities that retirement affords and how people take advantage of those opportunities.

In just these pages, we have written about retirees who became physician assistants and others who became ministers, priests or rabbis. We have talked with older adults who have adopted children overseas and others who have written first novels. Still others have taken motorcycle tours of China or joined local search-and-rescue teams. Some bought ranches out West and raised emus, while others purchased vineyards in Virginia and raised grapes. They start businesses or they start teaching or they start competing in triathlons.

In short, retirement offers the opportunity to explore—not just the world, but your own interests, hobbies, passions.

And don't misunderstand: A "good" retirement doesn't always involve changing careers or saving the planet. As I've noted in this space, retirement, at its best, can give you the time to live ordinary life well: to read a book on a park bench; to volunteer at a local church; to catch a movie on a Thursday afternoon; to take a grandchild to the library; to go for a late-morning walk. In short, to pursue a daily routine that's rich with the commonplace.

Again, if you think of retirement as a privilege—and if you recognize, to be blunt, that the time to seize that privilege is relatively brief—a decision about if and/or when to retire might come more easily.

And now…it's my turn to take advantage of this privilege.

This is my final column for the Journal. At age 70, I'm hanging up my laptop, as it were, to start a new job: caring full time for my wife. I certainly never imagined this (and neither did my wife). But as privileges go, I can't think of one I'd rather have.

The change is bittersweet. I love journalism; I love the written word. I also have loved, for 40 years, working with my colleagues at the Journal, the most talented, supportive and honorable friends imaginable. (As an aside, my byline appears at the top of these columns. What you don't see are the names of the Journal's editors and their unsung efforts to shape and polish my articles and all the articles in these pages. They are my heroes.)

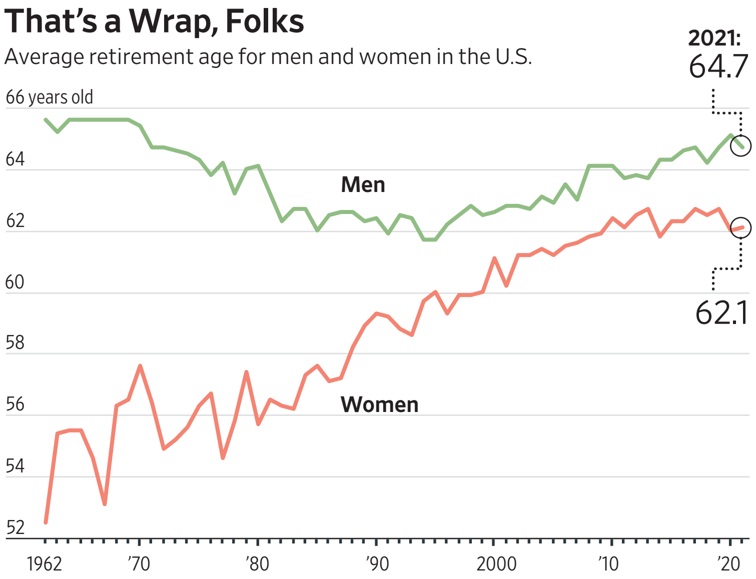
Most important, I thank the readers of this column. I have heard from thousands of people, some of whom questioned whether my skills could be better employed elsewhere (say, selling shoes), but most of whom were generous to a fault with their comments, insights and suggestions. I apologize to the many (many) readers whose questions I was unable to answer. I hope the columns themselves provided some useful maps to navigate retirement's waters.

I'm anxious to see what the coming years hold for my wife and me. Just having this time together, however short or long, is a privilege. And I don't plan to waste it.

Mr. Ruffenach is a former reporter and editor for The Wall Street Journal. Send comments to askencore@wsj.com.

That's a Wrap, Folks

Average retirement age for men and women in the U.S.



Source: Center for Retirement Research at Boston College

How the Largest Funds Fared

Performance numbers are total returns (changes in net asset values with reinvested distributions) as of Nov. 30; assets are as of Oct. 31. All data are preliminary.

Stock Mutual Funds and ETFs

Fund	Ticker	Assets ($ billions)	Total Return (%) November	1-year	Annualized 3-year	5-year	10-year
Vanguard TSM Idx;Inst+	VSMPX	1153.94	5.2	−11.2	10.2	10.3	N.A.
Vanguard 500 Idx;Adm	VFIAX	748.07	5.6	−9.3	10.9	10.9	13.3
SPDR S&P 500 ETF	SPY	367.35	5.6	−9.3	10.9	10.9	13.2
Fidelity 500 Index Fund	FXAIX	353.77	5.6	−9.2	10.9	11.0	13.3
Vanguard Tot I S;Inv	VGTSX	318.91	13.4	−10.7	2.6	1.9	4.6
iShares:Core S&P 500	IVV	294.73	5.6	−9.2	10.9	10.9	13.3
Vanguard Instl Indx;InsP	VIIIX	233.95	5.6	−9.2	10.9	11.0	13.3
American Funds Gro;A	AGTHX	201.69	4.5	−25.3	7.9	8.9	12.5
American Funds Bal;A	ABALX	188.23	5.6	−6.3	5.8	6.4	8.7
Invesco QQQ Trust 1	QQQ	150.51	5.6	−24.9	13.4	14.4	17.2
Vanguard Val Idx;ETF	VTV	149.29	6.1	8.3	10.4	9.6	12.5
American Funds Wash;A	AWSHX	148.17	6.3	1.4	10.5	10.3	12.4
Vanguard Gro Idx;ETF	VUG	136.73	4.8	−25.7	10.4	11.7	13.8
Vanguard Md-Cp I;ETF	VO	136.39	6.2	−10.7	9.0	8.7	12.0
Vanguard Dev Mkt;ETF	VEA	134.45	13.0	−9.3	3.3	2.5	5.6
American Funds EuPc;R6	RERGX	124.43	12.3	−18.2	2.4	2.5	6.0
American Funds Inc;A	AMECX	115.34	6.0	0.4	6.4	6.1	7.8
Vanguard S-C Id;Adm	VSMAX	114.95	4.4	−9.4	7.9	7.3	11.1
American Funds FInv;A	ANCFX	104.14	7.2	−8.4	8.2	8.3	11.8
American Funds NPer;A	ANWPX	102.76	9.3	−20.1	8.3	8.6	10.8
Vanguard Wellington;Adm	VWENX	101.36	5.7	−8.4	5.9	6.9	8.9
American Funds ICA;A	AIVSX	101.15	6.6	−8.2	9.0	8.2	11.4
American Funds CWGI;A	CWGIX	97.40	10.0	−10.5	5.5	5.3	8.2
American Funds CIB;A	CAIBX	96.51	7.3	−0.5	4.7	4.3	6.0
Fidelity Contrafund	FCNTX	94.34	5.2	−22.9	8.9	9.9	13.1
Dodge & Cox Stck;I	DODGX	88.11	6.3	2.6	12.4	10.3	13.3
American Funds Mut;A	AMRMX	84.50	5.8	4.9	9.8	9.3	11.3
Vanguard EM St I;ETF	VWO	83.01	14.5	−14.5	1.5	0.8	2.4
Vanguard Ext MI;IS	VSEMX	81.95	3.6	−20.9	6.2	6.5	N.A.
iShares:Core MSCI EAFE	IEFA	79.89	13.5	−9.6	2.6	2.2	5.6
Vanguard Div A I;ETF	VIG	74.58	6.9	−0.1	11.0	11.5	12.5
Vanguard Tgt Ret2030;Inv	VTHRX	74.13	6.5	−11.3	4.0	4.9	7.5
Vanguard Tgt Ret2035;Inv	VTTHX	72.70	7.0	−11.2	4.7	5.4	8.2
Vanguard Tgt Ret2025;Inv	VTTVX	70.51	6.1	−11.2	3.4	4.4	6.9
Franklin Cust:Inc;A1	FKINX	68.22	5.0	0.8	6.4	5.3	6.1
Fidelity SA US Tot Stk	FCTDX	66.42	5.7	−10.1	11.0	N.A.	N.A.
iShares:Core S&P Sm-Cp	IJR	66.23	4.2	−6.1	9.3	7.2	11.9
American Funds AMCP;A	AMCPX	65.35	5.7	−22.7	5.2	7.1	11.3
Fidelity Total Market Ix	FSKAX	64.12	5.3	−11.2	10.1	10.2	12.9
Vanguard RE Idx;ETF	VNQ	63.75	6.2	−14.7	1.6	4.7	7.4

Bond Mutual Funds and ETFs

Fund	Ticker	Assets ($ billions)	Total Return (%) November	1-year	Annualized 3-year	5-year	10-year
Vanguard Tot Bd;Adm	VBTLX	268.12	3.7	−13.0	−2.6	0.2	1.0
Vanguard Tot Bd II;Inv	VTBIX	217.92	3.6	−13.0	−2.8	0.1	0.9
PIMCO:Income;Inst	PIMIX	111.10	3.4	−6.6	0.5	1.8	4.2
Vanguard Tot Itl B2;Inst	VTILX	89.48	2.5	−11.1	N.A.	N.A.	N.A.
Vanguard Tot Itl BI;ETF	BNDX	79.73	2.5	−11.0	−3.0	0.4	N.A.
iShares:Core US Agg Bd	AGG	76.38	3.7	−12.8	−2.6	0.2	1.1
American Funds Bond;A	ABNDX	68.57	3.7	−12.3	−1.2	0.8	1.3
Vanguard Int-Tm TxEx;Adm	VWIUX	66.61	4.0	−7.0	−0.2	1.6	1.9
Vanguard Sh-Tm B;ETF	BSV	65.18	1.4	−5.7	−0.7	0.8	0.9
MetWest:Total Rtn;I	MWTIX	62.04	4.0	−14.5	−2.6	0.3	1.4
Vanguard Sh-Tm Inv;Adm	VFSUX	61.24	1.9	−5.8	−0.3	1.1	1.5
Dodge & Cox Income;I	DODIX	56.14	4.1	−10.5	−0.9	1.3	2.1
Vanguard ST IPSI;Adm	VTAPX	55.47	0.5	−2.3	2.7	2.6	1.3
PIMCO:Tot Rtn;Inst	PTTRX	54.67	3.8	−13.9	−2.5	0.2	1.2
Fidelity US Bond Index	FXNAX	52.71	3.8	−12.8	−2.6	0.2	1.1
Fidelity SA Core Inc	FIWGX	51.95	3.6	−12.7	−1.3	N.A.	N.A.
Lord Abbett Sh Dur;I	LLDYX	51.22	0.9	−5.0	−0.1	1.3	1.8
Vanguard ST Corp Bd;ETF	VCSH	45.02	2.1	−5.7	−0.4	1.3	1.6
Fidelity Str Adv Cre Inc	FPCIX	44.86	3.8	−13.6	−2.1	0.5	1.5
Vanguard Int Crp Bd;ETF	VCIT	38.84	4.7	−13.4	−2.2	1.0	2.1
PGIM Tot Rtn Bond;R6	PTRQX	37.98	3.8	−14.6	−3.0	0.3	1.9
iShares:iBoxx $IG Corp	LQD	34.76	6.1	−17.3	−3.2	0.6	2.0
Baird Aggregate Bd;Inst	BAGIX	33.70	3.9	−13.3	−2.4	0.4	1.5
DoubleLine:Tot Rtn;I	DBLTX	33.45	2.8	−12.4	−2.9	−0.2	1.4
Vanguard Infl-Prot;Adm	VAIPX	33.24	1.9	−10.6	1.7	2.4	1.1
Vanguard Int-T B;Adm	VBILX	31.36	3.7	−12.7	−2.2	0.7	1.4
Vanguard Ltd-Tm TxEx;Adm	VMLUX	31.28	2.0	−3.2	0.3	1.3	1.2
Vanguard Inst IT;Inst+	VIITX	30.91	2.3	−8.0	−1.1	0.8	N.A.
JPMorgan:Core Bond;R6	JCBUX	30.89	3.3	−12.0	−1.9	0.7	1.4
Fidelity Srs Inv Gd Bd	FSIGX	29.81	3.8	−12.4	−1.3	1.2	1.7
iShares:1-3 Trs Bd ETF	SHY	29.36	0.7	−4.2	−0.6	0.6	0.5
Bridge Bldr:Core Plus Bd	BBCPX	29.12	3.5	−13.0	−1.7	0.9	N.A.
iShares:Natl Muni Bond	MUB	28.92	4.4	−7.3	−0.5	1.4	1.7
Vanguard Int-Tm Inv;Adm	VFIDX	28.44	4.7	−13.0	−1.7	0.9	1.8
Fidelity Total Bond	FTBFX	27.37	3.7	−12.3	−1.4	1.0	1.8
SPDR Bbg 1-3 Mo T-Bill	BIL	26.38	0.3	1.0	0.5	1.1	0.6
WA Core Plus Bond;I	WACPX	26.23	5.6	−17.7	−3.9	−0.4	1.7
iShares:TIPS Bd ETF	TIP	25.05	1.8	−10.8	1.5	2.3	1.0
iShares:20+ Trs Bd ETF	TLT	24.47	7.3	−30.9	−8.4	−1.9	0.4
American Funds Intm;R6	RBOGX	24.47	2.1	−7.2	−0.1	1.1	1.1

Note: For funds with multiple share classes, only the largest is shown. N.A.: Not applicable; fund is too new or data not available

Source: Refinitiv Lipper